London, Washington Seek Price Recovery

LARGEST CIRCULATION
OF ANY CANADIAN
FINANCIAL PAPER

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

CANADIAN MINING NEWS
DEPARTMENT ON
PAGE 16

Vol. XXVII Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, MARCH 11, 1933 10c a Copy; $5.00 a Year No. 10

The Nation's Business

What Canada
Can Learn from
Crisis in U. S.

Must Protect
Federal Credit
Against Attack

Balance Budget
as First Step

The U. S. A. Crisis and Canada's Credit

JUST before he died Calvin Coolidge told the American people in one of those succinct sentences of his that unless they reduced governmental expenditures and balanced their budget all substitute measures for economic recovery would prove of no avail.

The Coolidge brand of wisdom was realistic. How successfully he could have resisted an unrealistic Congress one does not know. But what Coolidge saw and preached was that the bolstering up of inflated situations by governmental credit and legislation was merely a policy of deferring the inevitable day of reckoning.

The day of reckoning has come for economic America and it is a sad day. That it marks the bottom of the financial crisis across the border there is reason to hope. Even that the turning point in the world economic crisis has come is not beyond the bounds of possibility, although he would be rash indeed who would dogmatically assert such to be the case.

* * *

THE three billion dollar deficit that the United States government reported that year was the epitome of American financial policy in the crisis. The bank moratorium is the end product of the weak-kneed refusal to face the unpleasant facts of post-war deflation.

There was a close connection between United States governmental policy in finance and the banking and credit crisis. Everywhere in the world, since the war, unbalanced budgets have led directly and brutally to a similar crisis. Everywhere the strengthening of governmental finance has had to be the prime factor in any policy of recovery. So it was in Italy, Germany, Britain and Australia. So it is proving to be in the United States. So it may eventually prove to be in France—and in Canada.

* * *

THE United States declined to balance its budget because it was felt that the depression would not be prolonged; that the country's credit was unassailable; that if business as usual were governmental policy an eventual rise in prices and stimulation of business would obviate the dangers of over-expenditure and enable the new debt of the crisis period to be liquidated. In brief that, while deflation has been in all past periods the unavoidable corrective of the conditions created by super-inflation, modern financial organization was such that inflationary remedies could be invoked to cure inflationary diseases. There was believed to be some merit in the curing of the trouble by application of the hair of the dog that did the biting.

Federal credit is the basis upon which private credit in any country rests. Governmental financial policies give the lead to corporate and private financial policies. What Washington determined was proper financial policy for the country at large it imposed upon willing bankers and private citizens. American finance has followed the government in attempting to bolster up weak situations; in refusing to carry through the relentless policy of deflating down to real values. Paper money backed by frozen assets and intangible future possibilities was deemed to be an adequate substitute for paper money backed by immediately available assets and tangible present values.

* * *

THERE might have been some merit in such a policy and there may have been some measure of success resulting from it if the United States had been surrounded by a financial wall as high as its tariff wall. Such was not the case. The United States was but part of an international world. It could keep wheat prices high at home but this did not make wheat prices high the world over. It could protect its wage scale but that merely barred its workers from employment in supplying goods for other countries. It could issue paper money against frozen assets or government bonds against deficits but it could not make investors and traders in other countries believe that the certificates were worth

(Continued on page 2, col. 3)

INTEREST RATE WILL BE CUT BY HALF P. C.

But No Announcement is Likely For Two Weeks

THREE REASONS

Action Thought Unlikely While Banking Chaos Continues in United States

A new rate of 2½ per cent for chartered bank savings deposits in Canada has been definitely agreed upon, The Financial Post is authoritatively informed.

When the new rate will be introduced, however, has not yet been decided.

This for probably three reasons. Firstly the U. S. banking crisis, secondly political exigencies at Ottawa, and finally the need for obtaining complete unanimity among other deposit institutions throughout the Dominion.

Importance of the U. S. banking crisis is that while financial unsettlement continues across the border it is felt it would be unwise to make any move for a week or two in Canada which might be interpreted as a sign of weakness on the part of Canadian institutions.

Political Angle Uncertain

Just what the political exigencies of the situation are is not certain unless the Government is anxious that the banking and commerce committee findings on interest rates be available before an announcement is made. The argument here is obviously that a finding for lower interest rates by this committee (the majority of whose membership is government supporters) might be a valuable asset to the Bennett Government if it were subsequently acted upon by the Canadian chartered banks.

On the other hand, reliable sources at Ottawa scout the idea that this is what is holding up an official announcement either from Ottawa or the C. B. A. They claim that the hold-up is in lining up trust and loan and other savings institutions so that the announcement when it comes will be definitely unanimous all along the depositary front.

Trust and Loan Situation

Officials of leading Canadian trust and loan companies expressed the opinion to The Financial Post that this unanimity prevails among trust and loan companies and that there is no reason for any hold-up on this score. Apparently this is true for the leading companies in Toronto and Montreal. However there is no official body which can speak for trust and loan companies in Canada in the matter of interest rates so the matter must of necessity be settled by informal discussion among different companies. Perhaps the Government is communicating individually with company officials outside the chief centres from coast to coast.

When the announcement comes it will probably be made initially by the Canadian Bankers' Association, The Financial Post understands. It would then be followed by a similar announcement by trust and loan officials and other savings institutions such as the savings banks. However an official of the Ontario Savings Bank which is perhaps the largest of the provincial institutions when questioned by The Financial Post stated that as far as he knew no discussion had as yet taken place as to a possible reduction in the interest rate for deposits.

With a 2½ per cent rate definitely established for Canadian chartered banks, a similar reduction would be introduced by trust and loan companies. This would bring the rate to 3½ and 3 per cent instead of presently prevailing rates of 4 and 3½ per cent.

It is believed that a cut in savings deposits rates will be followed by a corresponding drop in rates for commercial borrowers. Certainly the Federal Government is expecting to be able to borrow at a 4 per cent rate as a result of the reduction, The Financial Post learns.

Gold Mine Bullion Shipments Go to Ottawa Mint as Usual

The suspension of the United States banking institutions does not incur any great inconvenience to Canadian gold producers, The Financial Post is officially advised.

Shipments will be received at the Ottawa Mint in the regular manner and settlement made forthwith at regular mint prices in Canadian funds. This gold will then be held by the Government pending marketing in the United States and the premium received will then be credited pro rata to the gold producers making shipments during the intervening period.

Some concern has been expressed lest the upheaval in American banking institutions would cause some embarrassment to the gold producers. The only difference it will make to them is that the payment of premium due to the exchange situation will be deferred until gold is marketed.

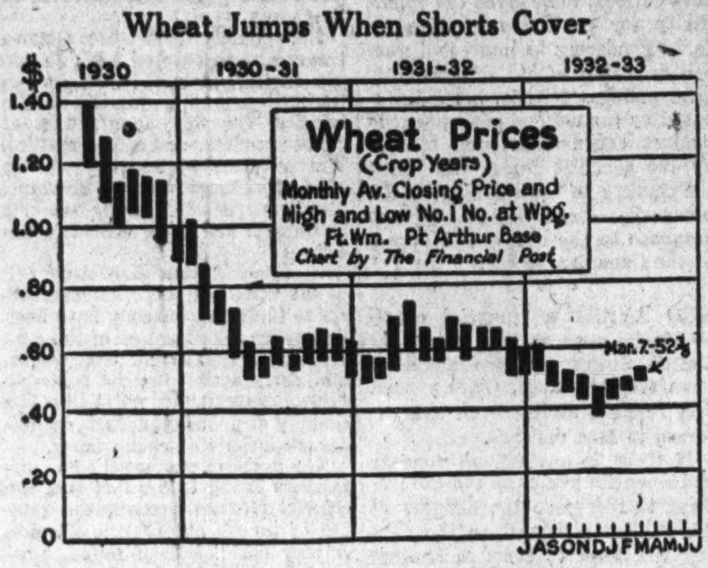
Since Great Britain went off the Gold Standard in September, 1931, the Canadian Government has had an embargo on the export of gold, but has accepted production at the Royal Mint at Ottawa making settlement at regular mint prices plus the average rate of exchange prevailing on United States funds on the day the shipment was received, the day previous to the shipment being received and the day following.

Future Rate Uncertain

In last week's issue of The Financial Post it was shown that the exchange compensation due to the premium on United States funds was 12.2 per cent. Attention was also drawn to the high rate of premium on United States funds in recent months and factors influencing the future trend of exchange.

What rate of premium will prevail in the immediate future is uncertain. Congress meets on March 9 to deal with the emergency banking situation and until its policies are announced it is impossible to deduce what the future has in store by way of exchange compensation for the Canadian gold producers.

One leading gold mining executive sees a silver lining in the present dark cloud and that is the possibility of inflation and the revaluating of the gold dollar.



Wheat prices are on the mend but the spectacular gain since March 6, according to our Winnipeg correspondent, is due largely to U. S. shorts rushing to cover rather than the improvement in fundamental factors outlined in last week's Post.

Union Government Scouted at Ottawa King is Opposed

But Pressure From Outside is Becoming Insistent

BACKERS PATIENT

No Hurry, They Say; Liberal Party is in Difficult Position as Split Shows

By Staff Editor

OTTAWA — In the nation's capital, where political realists abound, the suggestion of national or union government is discussed only to be scoffed at. Yet it is recalled by those with a saving sense of satire that in 1917 Ottawa was months behind the rest of the country in accepting union government as even a possibility. Here the political wiseacres know their Bennett and know their King and when national government is suggested they merely say "The elements won't mix."

The present administration, Liberal-Conservative, and enjoying a good working majority in the House of Commons, simply will not admit that anyone could do the job of bringing Canada through the economic crisis better than they have been doing or can do it.

The official Liberal opposition is rapidly burning its bridges behind it on the question of national government. Mr. King, constitutionalist by nature, is definitely of the opinion that only one course of action is correct if the present government is found to have lost the confidence of the country then they should resign and permit the Liberals to form an administration which would quickly give the country the prosperity that they gave it between 1921 and 1930.

Suspect "Big Interests"

The suggestion of Sir Arthur Currie for national government probably stiffened Mr. King's determination to insist upon a change of parties in preference to a union of parties. To the outspoken Liberals and certainly do the Progressive groups national government is simply a plot of the big financial interests.

There are Liberals who think the crisis calls for a national government but among the Liberal group in the House these are not numerous.

The southeast corner group, followers of J. S. Woodsworth, C.C.F. leader, consider national government as a potential threat to their progress. Remembering the Progressives in 1921 they would like to see an election, a comparative deadlock between the two major parties and the balance of power in their own hands. National government would circumvent their own ambitions to occupy a controlling position for by the time the national government had gone out of power they might have dwindled to practically nothing at all as a political force.

Problems of Mr. King

Of all the political leaders in Ottawa, Mr. King at the head of the Liberal group is recognized as having the most difficult position in relation to his followers. The Liberal party in Canada is experiencing the influence of forces that have made the complete unity of true Liberals difficult the world over since the war.

The Liberal party—as are all parties—is made up of contrasting groups. In normal times, these varying ideas do not come to the surface although they have an important influence in keeping the party in the centre of the road. But it is more difficult in times like these to maintain party unity. At the right there is a small but important group of Liberals who have been made much more conservative, almost reactionary, in their beliefs by their resistance to the radical forces that have seized an increasing total of power in the post-war years.

At the left are groups who are discontented with even the Liberal brand of conservatism and are definitely pulling their party toward the Socialist viewpoint. There is little conflict between the right wing Liberals and the Conservatives. There is little conflict between the left wing Liberals and the Co-operative Commonwealth Federation adherents.

Middle of the Road

Mr. King's recent exposition of Liberal party policy was part of a determined effort to hold the two

(Continued on page 2, col. 1)

Highlights of the Week

Events and Topics That Make Articles for The Financial Post This Week

Wheat Jumps

Why the credit crisis in the United States caused rise in wheat prices in Winnipeg. Pages 1 and 13.

Our Banks

It's primarily a question of management but there are other reasons why they don't fail. Page 10.

National Cabinet

Business men urge it but politically realistic Ottawa scouts proposal saying "elements won't mix." Page 1.

Radio Advertising

Mediocre programmes lose out in competition with high-class efforts of real showmen. Page 4.

Fighting Lines

Lower-priced merchandise introduced to compete with cut rate substitutes. Page 4.

U. S. and Reciprocity

An authoritative forecast of the trade and tariff policy of President Roosevelt as it relates to Canada. Page 3.

Roosevelt and Prices

Washington and London work together to stimulate immediate rise in all commodity prices but with exchanges pegged to prevent wild rush to buy from leading to excesses. Only one of many important points in The Financial Post's inside story of the United States situation. Page 1.

Public Utilities

Problems and prospects of the public utility corporations and the position of their securities outlined in a special 16-page supplement. Pages 17-32. Some feature articles of particular interest:

Utilities' new problems 17
Growth of power load 17
Outlook for tractions 17
The gas industry 17
The telephone industry 17
Statistical summary of 13 chief companies 26

WHEAT SHORTS RUSH TO COVER ON U. S. CRISIS

Buying Flood on U. S. Crisis Surprises Speculators

BONDS SELL OFF

But Liquidation Small in Our Securities by U. S. Holders

From Our Own Correspondent

WINNIPEG—The flood of buying which hit the pit here last Saturday and early this week took local traders completely by surprise.

Though belief was widespread that an improvement in wheat prices was to be expected due to strength in fundamental factors, few members of the local trade anticipated that the U.S. moratorium and banking crisis would prove the signal for a strong advance. Actually the U.S. banking crisis might have proved a bearish factor, adding as it did to the difficulties of international transactions. The flood of buying was definitely a surprise.

Shorts Rush To Cover

But that aspect was overshadowed by the quick rush of shorts in all markets to cover their commitments. In the Winnipeg market itself there has not been much short interest, in fact the lack of such an interest has been commented on of late as indicating a certain vulnerability in the market. About the only shorts here have been spreaders who have sold Winnipeg futures against purchases of Chicago, in the belief that the spread between the two markets would widen out, but the extent of such trading has been limited.

But many million bushels of grain afloat have been hedged by dealers, some small amounts in Winnipeg, and a great deal more in Liverpool and in Chicago. Many such traders became worried out of possible developments from the United States situation, and preferred to carry their grain unhedged rather than risk serious losses on the transaction in futures.

The buying back of hedges put Liverpool up quickly, and that in turn induced buying in Winnipeg. Not only did traders who had been short in Winnipeg wish to close out their transactions, and to cut possible losses, but those who were short in Chicago, where they could not cover, attempted to protect themselves by buying in Winnipeg.

U.S. Shorts Worried

Suggestion of any possible depreciation in the value of United States currency is very alarming to anyone short of wheat in Chicago, since it would presumably be accompanied by increase in price, and the mere discussion of a possibility might bring a rush of buyers anxious to exchange their money for commodities. Moreover continuation of banking difficulties, even on a limited scale might tend to paralyze for a time movement of wheat from the country to terminal markets, and force buyers to bid more for grain available in elevators at such market places.

Liverpool had an additional reason for nervousness in the sudden drying up of offers from overseas, as exporters, alarmed at the possibility of being caught by adverse exchange developments, and quite unable to hedge their exchange as usual through New York, refraining from quoting. In addition they were uncertain whether or not Winnipeg might be forced to close.

Bond Market Off Slightly

Canadian security prices have been remarkably stable in view of conditions existing in the United States

Restrictions presently in force in the United States on the buying and selling of foreign exchange has disrupted the Canadian exchange market for the time being and United States funds are impossible to secure. Until rates can again be quoted there will be no active market on New York payment bonds.

Bonds Are Lower

Canadian bond prices have not held as well as prices on Canadian listed stocks but the volume of trading has been very light. Canadian bonds are quoted but slightly lower in London, and no marked volume of selling has developed as a result of the rise in sterling in terms of the Canadian dollar. Canadian bonds payable in New York have shown the most substantial drop reflecting in some degree the feeling that after the crisis is over in the United States, the spread between United States and Canadian dollars will not be as great as the 19 to 20 per cent spread in recent weeks.

As the banking situation in the United States developed, Canadian investment bankers had some fears that American investors might dump their Canadian securities on a market that was not prepared to absorb a large volume of securities. This did not materialize and at the present time it is not regarded as likely that there will be any dumping in the immediate future. The banking moratorium in the United States has obviated the necessity of banks throwing securities on the market in order to secure cash to pay to depositors. Any liquidation must be gradual.

Some Canadian investment dealers feel that there will be no recur-

(Continued on page 2, col. 6)

Wild Fever to Buy Sweeps United States

Depreciation of Dollar by 16 to 25 Per Cent Expected But Will be Held in Check — Roosevelt "Most Confident Man in Washington"

From Our Own Correspondent

WASHINGTON.—At midweek this was the inside picture of the banking and credit situation in Washington as given to The Financial Post by authorities of unquestioned standing:

The administration is wrestling with some 40 different plans for re-establishing banking operations. Every one of the 40 plans has some difficulties.

As soon as Congress meets there will be joint legislation giving the president all war-time powers to act in any emergency.

Gold exports will be permitted under license. This action will be taken to permit central banks of other countries, who have earmarked gold in good faith, to take it out of the country if they desire. Primarily this action is being taken at the instance of the Bank of England who will, however, co-operate with Washington and probably not actually take the gold out of the country although wishing to have that privilege. All other gold situations have been cleared up.

Gold Bullion Basis

The country will go on a gold bullion basis in order that it may be nominally on the gold standard without permitting free withdrawals of gold.

The government knows the people who have hoarded gold. They are being told firmly to get the gold back into the banks or be put in jail under war time legislation.

Roosevelt is determined to put a tax on currency hoarding but has not decided yet how he can do it.

Some measure of guaranteeing bank deposits will be worked out. It will certainly apply to all new deposits and possibly, if a safe means can be found, on all back deposits up to the liquidating value of the assets of the banks—their ascertained solvency.

Say Currency Roll Back

This measure is expected to bring an enormous return of money to the banks.

Presses are running day and night printing new currency, but how it is to be issued has not been determined. It may take the form of asset currency against liquid assets of the banks including government bonds, but the government foresees the possibility that the reconstruction measures taken may lead to such a rush of returning currency to the banks that steps will have to be taken to withdraw currency from circulation rather than to issue new currency to go into circulation.

The government is frowning on scrip issues for national circulation and while it is authorizing local use of scrip it will not guarantee scrip on any basis.

There is the utmost confidence in Washington. "The situation is brightening every minute." Roosevelt is said to be the most confident figure in the nation.

There is a wild scramble for commodities in prospect. The government fears it will go too far. Roosevelt is willing to permit the dollar to depreciate anywhere from 16 to 25 per cent in terms of commodities, which would help to make the banks liquid by turning a large part of their frozen loans into cash. But he fears that any further depreciation would help to bolster up situations that ought to be deflated and must be deflated before there can be permanent recovery. Steps will be taken to keep the commodity inflation in check if it promises to go beyond the limit needed.

Peg Stock, Commodity Markets

Stock markets and commodity markets will be pegged, as will be foreign exchange rates, to prevent either speculation getting out of hand or collapse.

Some action will most certainly be taken to help silver.

The Federal Reserve Board and the Bank of England are working closely together. The pound is expected to stiffen, but the British government are reported as determined not to let it rise too far. They do not want it above $3.50. Britain has bought £40,000,000 in gold in recent weeks and will use it as the basis for currency inflation at home to match the rise that is expected in commodity prices in the United States. The pound will be depreciated every time the dollar depreciates.

Lift Commodity Prices Overnight

The French have definitely determined not to balance their budget, this being their contribution to the union of British and American forces to raise commodity prices.

Washington's whole objective is to lift commodity prices overnight, but not to the point where necessary and desirable deflation can be avoided.

The billion dollars needed to meet government loans by March 15 will be forthcoming. If necessary the government will issue the notes to pay for it.

Later there will be a huge government bond issue on the war-time plan of ballyhoo to the public.

The picture is changing hourly but, broadly speaking, the above indicates the Roosevelt objectives and the measures that are in prospect to attain those objectives.

Old Age Pensions Act Costs Canada $45,721,000

Total cost to federal and provincial governments of old-age pensions in Canada since the inception of the Old-Age Pensions Act five years ago, amounts to $45,721,000, according to figures published in the current issue of the Labor Gazette. Of this total, $27,249,000 represents the federal government share of expenditure, the remainder being paid by the five provinces and Northwest Territories where the act is operative.

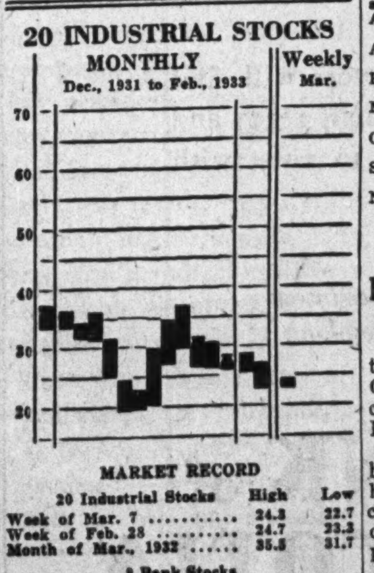
Total number of pensioners at the end of December amounted to 70,516 of which the majority—42,315—were located in Ontario. Average monthly pension is almost identical in all provinces ranging from $18.34 in Saskatchewan to $20 per month in Northwest Territories. There are only six pensioners in the latter area.

Ontario has the highest percentage of pensioners in proportion to population, the figure being 1.23 per cent as compared with .69 per cent in Alberta which has the smallest proportion. Manitoba and Saskatchewan, however, have the largest proportion of pensioners in relation to population over 70 years of age, the figures being 45 and 46 per cent respectively. In Ontario, the ratio of pensioners to population over 70 years of age is only 30 per cent.

Comparative figures for each province for the period ending December 31, 1932, are as follows:

Province and Date Act Effective	No. of Pensioners	Total Pensions Paid by Provinces to Dec. 31, 1932 $	Dominion's Share of Expenditure $
Alberta (Aug. 1, 1929)	5,105	2,668,409	1,638,508
Br. Columbia (Sept. 1, 1927)	6,945	5,859,899	3,375,691
Manitoba (Sept. 1, 1928)	8,032	5,898,572	3,454,572
Ontario (Nov. 1, 1929)	42,315	25,729,215	15,480,624
Saskatchewan (May 1, 1928)	8,113	5,560,111	3,294,935
N. W. T. (Jan. 25, 1929)	6	4,784	4,784
Total	70,516	45,720,990	27,249,115

Stock Market



MARKET RECORD

20 Industrial Stocks	High	Low
Week of Mar. 7	24.3	22.7
Week of Feb. 28	24.7	23.3
Month of Mar., 1932	35.5	31.7
8 Bank Stocks		
Week of Mar. 7	158	153
Week of Feb. 28	160	156
Month of Mar., 1932	203	203
10 Public Utilities		
Week of Mar. 7	42	41
Week of Feb. 28	42	40
Month of Mar., 1932	56	51

New President, Manager for Empire Life Ins.

Important changes in the executive of the Empire Life Insurance Co. have recently been made according to information given The Financial Post.

C. P. Fell of the investment banking firm of Matthews & Co. has been elected president of the company. He succeeds John Hallam, of Toronto, who was appointed president about a year ago.

A further important change is the appointment of L. T. Boyd, formerly actuary of the company, as general manager. He succeeds M. P. Langstaff, who has held that position since the inception of the company in 1923.

NEWSPRINT MAKERS HIT BY U. S. CRISIS

Collapse of Exchange Has Effect on Revenue

DEMAND IS LOWER

Unsettlement in American Market Adds Further to Problems of Industry

From Our Own Correspondent

MONTREAL.—Current banking crisis in the United States has dealt a heavy blow to the Canadian newsprint industry, which has been struggling along for many months on a limited operating scale and falling prices. The one bright spot in the situation was that the Dominion marketed over 80 per cent of its production in the United States, payment on which was made in American funds, which when converted into Canadian dollars, added appreciably to the manufacturers' income.

Up to the end of February Canadian producers were marketing nearly $6,000,000 of newsprint each month in the United States. With the premium on American funds running as high as 20 per cent in relation to Canadian currency, the shippers were able to record an income appreciably higher than when exchange was at parity.

With the declaration of the banking moratorium, difficulty of securing payment for paper delivered and the likelihood of a much lower premium prevailing when normal banking conditions are restored, the position of the Canadian newsprint manufacturer has, to say the least, not been improved.

Premium Big Help

For more than a year paper manufacturers in this country have experienced substantial benefits through the discount of the Canadian dollar in New York. On all newsprint sold in the United States payment has been made in American funds. The conversion of these funds into Canadian currency, has given the manufacturers a substantial income over and above what they would receive under normal circumstances.

The income received by way of premium on American funds has been the means of keeping some of the Canadian operators in business. It has meant that even though the price of newsprint for American delivery has been cut several dollars a ton, the premium has been enough to offset the reduction.

Offset Price Cuts

When Canadian funds were at a parity in New York and newsprint sold for $52.50 a ton in the New York zone, the net return to the manufacturer at the mill was $45.30 a ton, allowance being made for freight charges of $7.20 a ton. The price of newsprint was cut to $45 a ton New York delivery. Meanwhile the premium on U. S. funds had increased appreciably, so that the manufacturer was still receiv-

(Continued on page 2, col. 6)

Investor's Index

INDUSTRIALS, UTILITIES, ETC.
Amer. Home . . 12
Acme Glove . . . 9
B. C. Paper . . . 15
Beatty Bros. . . 9
B. A. Assurance 12
Beauharnois . . 5
Credit Foncier . 15
Can. Wire & C. . 15
Can. Foundries . 15
Conduits 14
Cons. Oka Sand . 13
Can. Gen. Inv. . 15
Consol. Inv't. . . 9
Can. Celanese . . 9
Can. Gen. Ins. . 12
C. N. R. 11
C. P. R. 11
Dom'n. Bridge . 9
Dom'n. Park . . 8
Dom'n Stores . . 5
Eastern Trust . . 15
Easy Wash. . . . 5
Empire Life . . . 1
First All-Can. . 9
Fundam. Trust . 9
Fraser Cos. . . . 8
Grey & B. Tr. . 15
Gatineau Pwr. . 9
Great Lakes P. . 9
Granby Protect. 12
Inv't. Bond . . . 5
Lond. Guar'tee . 12
Loblaw 5
Montreal Pwr. . . 5
Montreal Life . . 12
Metropol. Life . 12
Moore Corp. . . 13
Moirs 5
N. Y. Life . . . 12
Nat. Protective . 12
Ont. Silknit . . 2
Sherbrooke Tr. . 15
Silverwood's . . 5
Sherwin-Wms. . 5
Tip Top T. . . . 5
State Life Ind. . 12
Ukrain. Mutual . 12
Viau Biscuits . . 5
Winnipeg Water 9
West. Grocers . 5

MINES AND OILS
Brett-Trethewey 16
Granada Gold . . 16
Howey 16
Howe Sound . . . 16
Kirkland Lake . 16
Kenty 16
Moss Gold . . . 16
Noranda 16
Nor. Can. Min. . 16
Premier Gold . . 16
Venezuela Int. . 16
Vipond 16

PRICE QUOTATIONS
Bonds 14
Grain 13
Mines 15
Stocks 14

REGULAR DEPARTMENTS
Business 7
Banking 10
Editorial 6
Grain and Milling 13
Insurance 12
Mining 16

SPECIAL PUBLIC UTILITIES SECTION
Pages 17-32
Amos W. & Pr. . 24
Avalon Tel. . . . 27
Avon R. Pwr. . . 18
Bell Telephone . 27
B. C. Telephone 27
Bolivian Pwr. . . 21
Beauharnois . . 18
B. C. Power . . . 23
Brazilian Tr'n. . 28
Barcelona Tr'n. . 28
Churchill R. Pr. 19
Can. Nor. Pr. . 23
Can. Niagara P. 19
Cities Heating . 28
Cons. Utilities . 24
Calgary Power . 21
Consumers' Gas . 30
Can. Marconi . . 29
Can. W. Nat. Gas 31
Candn. Hydro . . 25
Demarara Elec. . 21
Dominion Gas . 31
Dom. Telegraph 28
Duluth Superior 28
Dom. Steel & C. . 25
Duke-Price P. 21, 30
E. Koot. Pwr. . . 23
For. Pwr. Secs. . 23
Gatineau Pr. . . 25
Hydro-El. Sec. . 28
Hydro-El. Bond . 18
Int. Pr. Nfld. . . 30
Int. Utilities . . 31
Int'l. Power . . . 21
Intercol. Coal . . 25
Jamaica P. Serv. 24
Manitoba Pwr. . 23
Mexican L. & P. 29
Montreal Trams. 29
Mexico Trams. . 30
Maritime Elec. . 19
Maclaren-Quebec 19
Mackay Cos. . . 27
Montreal Pwr. . 18
Mtl. Is. Power . 24
Maritime Tel. . . 27
Nfld. L. & P. . . 21
N. B. Power . . . 24
National Light . 21
N. S. Power . . . 19
N. B. Telephone 27
Ottawa Pwr. . . 18
Ontario Power . 29
Ottawa Val. Pr. . 25
Oruro Elec. . . . 21
Ottawa Tr'n. . . 28
Porto Rico Pwr. 21
Power Corp. . . 28
Quebec Tel. . . . 27
Quebec Power . . 19
S. Can. Pwr. . . 23
Shawinigan . . . 19
San. Salv. Light 21
Twin City 28
United Secs. . . 19
Union Gas 31
Venezuela Pwr. . 21
Winnipeg Elec. . 24
W. Koot. Pwr. . 21

• SPRING NOTES

WILL SOON BE HEARD

That means new clothes; so, if you will allow us to advise you, we suggest that this sartorial "spring fever" can best be conquered by a visit to Eaton's.—Made-to-Measure—Ready-to-Wear—each branch of the tailoring craft is now ready to gladden your heart with the style and quality of their clothes. . . . . and you will be glad to learn that the prices are calculated to add an extra note of joy to the coming Spring.

MEN'S CLOTHING DEPARTMENT

THE T. EATON Co LIMITED

Second Floor
James Street

The Nation's Business

(Continued from Page One)

what the people of the United States said they were worth.

* * *

WHAT is the lesson of the United States crisis for Canada? How much more realistic in deflation have we been in this country?

Our banks started in 1928 to liquidate speculative loans. They have carried on a rather relentless process of enforcing reduction of borrowings in line with the drop in prices. They have attained an increasing liquidity each month. They have given us in easy stages the adjustment to values that the United States has deferred to such an extent that it will now have to be taken in one large and unpleasant dose.

That is the primary source of banking strength in Canada at this time. Had our banks relied upon government-created credit support to see themselves through to the extent that such a policy has been adopted in the United States we would today have a banking moratorium in Canada. The unavoidable deflation progressed more rapidly and got further in Canada than in the United States and we are better off and nearer to the turn as a result.

* * *

IN CANADA as in the United States public and private credit alike rest upon the foundation of public finance. And a realistic examination of the situation makes it apparent that the federal government has not made a contribution to the maintenance of Canada's recovery equal to that made by and through the banks in private finance and business. The continuance of unbalanced budgets at Ottawa menaces the security of our economic structure. With the horrible example of the United States before us we would be better engaged in learning something about the serious consequences of unbalanced governmental spending than in patting ourselves on the back for having avoided a precipitous crisis so far.

The federal government has been somewhat Hooverian in meeting the crisis. It has done what it could to reduce the ordinary expenditures of government without making any major cuts that would permit budget balancing to be accomplished. It has frankly gambled on the early return of prosperity and has used public credit to the limit to maintain uneconomic departments, to carry on relief work wastefully, to hold the wheat market, etc. It has preferred unbalanced budgets to the social unrest which it thinks would follow from drastic curtailment in government largesse. And it must have known what it now knows, that the policy is a dangerous one; that it subjects the country to the hazard of a possible financial crisis, which would be only less severe in Canada than in Britain and the United States because we are already off the gold standard and our banking system has tried to keep its house in order.

* * *

OTTAWA seems to think that what the people want is free governmental spending. True it is that the favored individuals and the special interests who share most directly in the outpourings from the federal treasury are immovably opposed to any serious attempt to balance the budget. The articulate minorities are not campaigning for efficiency and cost reduction in government.

It is necessary to go beyond their pleas to discover what the great mass of sober-minded, hard-working citizens of Canada want. What they most desire is to have their taxes reduced, to have the country's financial structure bulwarked against a crisis, to have confidence restored in the financial and business outlook, to be given the opportunity for profitable creative effort. Pandering to interested minorities, being afraid of offending good political friends, being influenced by the assiduous propaganda against expense-reduction offered by the socialist forces who want the country to squander itself into prosperity—these are no adequate response to the deeply felt appeal of the Canadian people.

* * *

TO AVERT a financial catastrophe such as has rocked the United States business structure from stem to stern, Ottawa must face realities as Roosevelt today is forced to face realities.

If there is not enough courage and financial genius in the government to recognize the dangers of the present policies then the remedy will have to come in another way. Conscious direction of political events may not bring it but events will move surely to some logical end. That may or may not prove to be a national government committed to stabilizing the country's finances by courageous action.

It would be unfortunate, however, if Canada has to go through a national financial crisis, as the United States has done, to be brought to a realization of the inescapable forces that are at work compelling budget balancing as a primary step in recovery.

UNION GOVERNMENT SCOUTED AT OTTAWA KING IS OPPOSED

(Continued from page 1)

groups of insurgents in line; to preach pure Gladstonian Liberalism as greatly superior to reactionary policies or exuberant radicalism. Mr. King's address created a profound influence on his party but that it disappointed the younger Liberals is undeniable.

It would be as difficult to find a fundamental clash between the policies enunciated in Mr. King's address and the viewpoint of the average business man Conservative as it would be to square the address of Mr. King with speeches of Mitchell Hepburn and Elmore Philpott in Ontario. Reference is not had to details in the fourteen points outlined but to the Liberal platform in bulk as outlined by the Liberal chieftain.

Gaining Strength

But while Ottawa openly scoffs at union government, visitors from other cities tell stories of a rapidly gaining movement.

There is among them no disposition to underestimate the strength the movement is drawing from its source—the business men of Montreal, Toronto, Hamilton and other leading centres. Already influential newspapers are vigorously advocating a political holiday, while a Union government wrestles with the problems of the day.

The speech of Sir Arthur Currie, principal of McGill University, at Ottawa last week is believed to be only the opening of a campaign which will grow in power as the months go by. Other speeches by leaders of finance and commerce are expected in the immediate future.

Cannot Coalesce

The situation here is relatively simple. The partizanship, the ill-feeling stirred up in the last 30 months makes the very idea of Union government unpalatable to the rank and file and the captains of both parties. It is abundantly clear—to Ottawa at least—that Mr. Bennett and Mr. King cannot join the same ministry; they could not coalesce.

Mr. King, as stated above, is a forthright opponent of National government. He may be expected to do all in his power to prevent such an administration coming into existence. In fact, the very day after Gen. Currie's speech, Mr. King is believed to have raised the subject at the Liberal caucus. The plan was to have the Liberal members of parliament pass a resolution condemning the proposal—this binding all of them to refuse any invitations which the future might bring. The party, however, did not endorse the resolution. It was decided that a resolution and a public announcement might well await a definite invitation to join a coalition government. Just the same, the caucus is reported to have been unanimously against national government at this time, though none of the members are committed as to the future.

Not for Early Action

The Liberal party's present reaction to coalition, however, is not of great importance. The plan behind the union government movement, as Ottawa understands it, does not call for immediate action. The public reaction appears to have been exceedingly favorable, but much hard work must be done before complete success is assured. It is assumed here that the proponents of coalition have in mind replacing the Bennett government with a national administration when it comes to the end of its term. The proposal, it is believed, is to transform the Bennett cabinet into a union government on the eve of a general election. The coalition ministry, as the first trial of strength, would face a general election.

In the ordinary course of events Mr. Bennett would go to the country in 1934, though his lease of office will not expire until five years from the date when the last writ of the 1930 election was received—say Sept. 1, 1935.

Take Full Five Years

It is conceded that Mr. Bennett has given little thought to an election. It is, of course, the unwritten prerogative of a prime minister to dissolve parliament at any time after he has held his place for a few months in the Commons. After the episode of 1926 it is unlikely that this prerogative will ever again be challenged. But in inside circles at Ottawa it is expected that Mr. Bennett will be inclined to run the full five years, particularly if 1933 and 1934 give real promise of economic recovery.

There is the utmost confidence, here, that this year will see the bottom of the depression past and that 1934 will find Canada "on the way back." It is true, therefore, that present indicators point to 1935 as the election year.

It is just possible, however, that Federal financial problems will demand drastic action earlier than this; that improvement will not begin in time to enable the existing structure of government taxation and expenditure to be continued. Certainly the government is not attempting, at present, to balance the budget. To do so would require not only increased taxation—which is coming—but economics of a character almost beyond the ability of a party government to accomplish. For example, escape from the tremendous deficit of the National Railways might have to be sought by unification.

Dunning Mentioned

Since coalition between the leaders of the two parties is impossible, Mr. Bennett could not head a national administration and would have to make way for some one, either a Liberal who would be acceptable to Conservatives or a Conservative who could attract influential Liberals. Mr. Dunning is frequently mentioned as a likely leader, though it is common knowledge at Ottawa that he has never encouraged the idea and has repeatedly stated he would not dream of undertaking such a task—even if present political powers were willing that he should.

Mr. King's action last week is reasonably good proof that his retirement is not to be expected and that he would take the field against a National government in the event that one could be formed without him.

Looking only at the personal side of the problem, the job of producing a national administration seems difficult enough. But the real force behind the proposal lies in the urgent need of a balanced budget; in the accomplishment of economies which seem beyond the strength of a party government. And a still more potent influence in favor of coalition is the alternative. It may be presumed that a truly national administration could carry the country at the next election. But in an electoral battle fought upon straight party lines, the probable result would be a period of governmental uncertainty, confusion, chaos and log-rolling. No one at Ottawa questions the likelihood of conditions of 1925 being repeated—of a general election resulting in a government without a majority and all the consequences that must follow. And it is an obvious question to ask if the country can deal, adequately, with the problems now confronting it under such circumstances. Ottawa politicians have not forgotten the obstacles which were surmounted in 1917 when union government was formed—which probably accounts for the deep interest with which every development is being followed,

1832 1933

International Trade . . .

WITH world-wide facilities The Bank of Nova Scotia is fully equipped to handle every banking phase of international trade.

Importers and exporters will find our Foreign Department ready and willing at all times to assist with their problems.

•

World-wide facilities in every department of banking

•

Coast to Coast in Canada

•

NEWFOUNDLAND,
JAMAICA,
CUBA,
PUERTO RICO,
DOMINICAN REPUBLIC

•

NEW YORK,
CHICAGO,
BOSTON,
LONDON, ENGLAND

The BANK of NOVA SCOTIA

OVER A CENTURY OF BANKING SERVICE

33-9

ONTARIO SILKNIT EXTENDS BUSINESS

Shareholders Approve Issue of £100,000 Debentures

A majority of preferred and common shareholders of Ontario Silknit Ltd. have voted in favor of an issue of £100,000 of debentures by Australian Silknit Ltd., a subsidiary. The debentures will not be an obligation of the parent company Proceeds of the issue will be used to provide capital to develop a business in England and to strengthen the consolidated liquid position of the company.

The Australian subsidiary is reported to have shown a profit in 1932, although Canadian business resulted in a loss. The consolidated statement of the company is expected to show a small profit while net working capital position is stated to have been well maintained at about 500,000.

In July, 1932, a knitting plant was opened in England by M. H. Epstein, president of the company, at his own expense, on the understanding that if this plant was successful it would be offered to Ontario Silknit Ltd., at a fair valuation.

Regina Would Postpone Sinking Fund Payments

With the principal payments on its debenture debt amounting to $350,000 annually, the City of Regina will ask the Saskatchewan legislature to consider providing legislation which would enable the city to postpone the levy for principal payments under the sinking fund requirements of the City Act. A proposal raised in the City Council to postpone payment of principal of debentures and reduce coupon payments to 60 per cent of their face value was not approved by council. If sinking fund payments are postponed, the difference in the tax rate would be about 7 mills.

Precedent for postponement of sinking fund payments was given with mention of Lethbridge, Alta., which had taken the same step in 1921 and later made up the deficiency in the sinking fund. City Commissioner R. J. Westgate stated that trying to escape from the levy was the first step toward defaulting on bonds and anything which injured the credit of the city made it that much harder to carry on.

INTEREST SHOWN IN SPRING STYLES

But Little Buying Done By Retailers So Far

Weekly trade report of Canadian Credit Men's Trust Association for the week ending March 4, is as follows:

Halifax.—Wholesale and retail business reported more than seasonally quiet. Woollen mills reported fairly busy but industrial activities in general are at a low level. Apple shipments to January 31 showed a decrease of nearly 30 per cent against last year. Lumber and steel industries continue quiet. Cape Breton collieries operated at 35 per cent capacity in January. Collections slow.

Saint John.—Wholesalers report no change from last week. Orders continue in small volume. Retail trade continues dull. Collections fair.

Montreal.—No change in conditions since previous week. Retail trade generally continues dull. Collections slow.

Toronto.—Very little change in business conditions to report from last week. Retail business very poor while wholesalers are obtaining only small orders for fill-ins. Somewhat optimistic spirit prevails, however, toward the outlook for spring business. Collections slow.

Winnipeg. — Very little change in conditions over previous week. Wholesale and retail groceries report fair volume of trade. Other lines quiet. Retail merchants generally report very little improvement in trade. Collections fair to slow.

Regina. — Wholesale trade reports fair volume maintained in grocery lines; dry goods slow; hardware fair to slow. City retail trade shows no apparent improvement. Country trade unchanged. Collections: wholesale, slow; retail—city, fair to slow. Country practically nil.

Moose Jaw.—Wholesalers report boots and shoes quiet. Wholesale and retail groceries reported fairly good; wholesale and retail hardware quiet. Retail dry goods quiet. Collections fair.

Saskatoon. — Wholesalers report a fair volume in groceries. Very little change over previous week in boots and shoes and dry goods lines. Hardware quiet. Retail trade on the whole remains fairly satisfactory. Collections continue slow.

Calgary.—Wholesale and retail groceries keeping up fairly well. Other lines continue quiet. Collections: very little being paid on old past dues—current accounts being taken care of quite promptly.

Edmonton.—Wholesale grocers and packers report very fair volume; dry goods, and boots and shoes show very little increase. City retail trade quiet. Collections on old accounts inactive; on current accounts, fair.

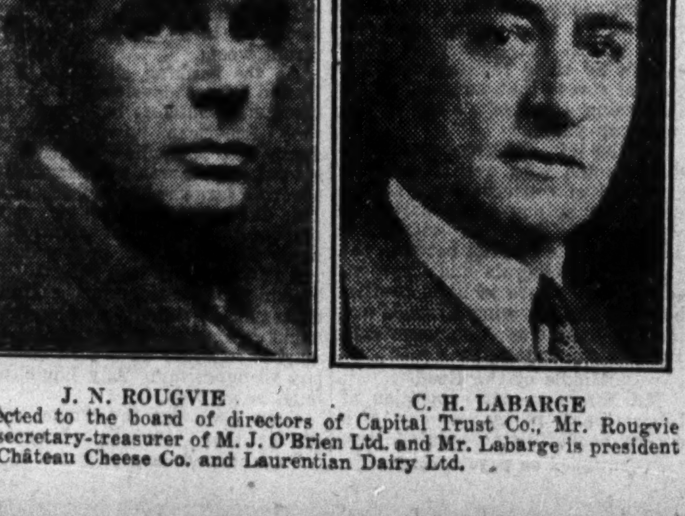
Vancouver.—Wholesale and retail merchants report no change in conditions over previous week. Business generally rather quiet, with collections slow to fair.

Bradstreet's report on other cities as follows:

Hamilton.—Both wholesale and retail establishments continue below normal. There has been a little interest shown in millinery and ladies' furnishings in preparation for the Easter trade but the volume of business actually passing is small.

London.—There is a little interest being shown in spring lines of ladies' furnishings and millinery. Employment continues at a low ebb although there are reports of some plants increasing their staffs during the past week.

New Capital Trust Directors



J. N. ROUGVIE C. H. LABARGE

Elected to the board of directors of Capital Trust Co., Mr. Rougvie is secretary-treasurer of M. J. O'Brien Ltd. and Mr. Labarge is president of Château Cheese Co. and Laurentian Dairy Ltd.

OTTAWA MOVING TO RESTRICT ENTRY SINGAPORE GOODS

Hit at Japanese-owned Factories Using Cheap Labor

From Our Own Correspondent

OTTAWA.—Early action will be taken by the Federal government to prevent the flooding of the Canadian market with rubber and textile goods manufactured in Singapore.

Immediately after the Ottawa treaties were entered into, Japanese capitalists established factories in Singapore, within the British Empire, for the manufacture of rubber products and cotton textiles. The purpose, apparently, was to take advantage of the favorable Empire tariffs to capture markets in Canada and other British countries.

Early Action Expected

The threat of these manufacturers to Canadian industry have been occupying the attention of the government at Ottawa for some weeks, and early action will be taken to prevent unrestricted entry into this country of goods manufactured under conditions of cheap labor.

The problem presented some difficulties owing to the fact that the Ottawa treaties prevent the raising of tariffs against the Empire. A way out has been found, however, in the field of exchange. The Singapore dollar has been inflated in the past few years. It has been kept in line with British sterling, thus conferring an additional advantage of nearly 15 per cent on these goods when exported to Canada.

Value Dollar at Par

The government, probably, will decree that the Singapore dollar shall be valued at par, and that all customs duties shall be imposed upon this basis. This will effectively lessen the threat to Canadian manufacturers and the order will not be a violation of the treaties.

It appears that the greatest menace of Singapore exports is in rubber goods and not textiles. It is true that in cotton goods rather keen competition was looked for, but Canadian cotton mills would not have suffered to anything like the same extent as the rubber industry.

WHEAT SHORTS RUSH TO COVER ON U. S. CRISIS

(Continued from page 1)

rence of the dumping of Canadian securities by American banks such as took place in the latter part of 1931 after Great Britain went off the gold standard. United States life insurance companies which have invested in Canadian bonds have no need to liquidate their holdings. Private investors in need of cash can secure no relief by shipping their bonds to Canada for sale at the present time since Canadian funds would be received and New York funds cannot be purchased.

Canada Has Been Selling

Particularly interesting at this time is the total of trade of securities between the United States and Canada in recent months. In the four months ended January, 1933, Canadian investment houses received $35,300,000 in Canadian dollars on securities sold in the United States and paid $17,800,000 on securities purchased in the United States. Sales to the United States have therefore been $17,500,000 in excess of purchases from the United States. The volume of business has been decreasing each month and the spread between sales to and purchases from the United States has been growing smaller but there has been no indication that United States banks were selling their Canadian securities in undue amount.

There has also been more selling to British investors with a total of $9,200,000 in the four months period during which payments in Great Britain on account of securities purchased totalled $7,600,000.

NEWSPRINT MAKERS HIT BY U. S. CRISIS

(Continued from page 1)

ing as much at the mill in Canadian funds as formerly, because the premium was sufficient to take care of the freight charges.

Net Return Reduced

At the present manufacturers are selling newsprint in the neighborhood of $40 a ton (official price is still $45 a ton). With the discount on the Canadian dollar around 20 per cent, the producer was still netting better than $40 a ton in Canadian funds.

The U. S. banking crisis has, at least for the time being, wiped out the large premium. This means that the net return to the manufacturer instead of being around $40 a ton is $35 or less.

Even with a return to more normal banking conditions in the United States it is not expected that the American dollar will sell at a premium in excess of 10 per cent. The discount on Canadian funds in New York when banking facilities are resumed, is generally forecast at from 3 to 5 per cent. This being the case, Canadian newsprint manufacturers will experience a sharp curtailment in their income for 1933.

Payments Held Up

Another problem facing the newsprint producers as a result of the banking crisis is the difficulty of getting payment for paper deliveries. There are two or more angles to this situation. In the first instance several of the large American newsprint buyers have not been meeting their bills promptly for some time past. Promissory notes have been given and in the case of one large buyer, it is said that he refused to pay for paper delivered until the manufacturers made adjustment of price to the current levels; in other words, cut the official price of $45 to approximately $40 a ton.

Not Buying "Futures"

During the greater part of last year some of the manufacturers were selling American funds in anticipation of payment for paper at a later date. For several weeks past, however, the banks have not been discounting notes and cheques payable in American funds have been handled only on a basis of premium settlement when the conversion from American to Canadian has taken place. On the other hand, it is reported that a few producers had been anticipating a rise in American funds and held off converting. If this is the case, those following that policy are likely to be considerably out of pocket.

Market Demand Easier

Canadian newsprint manufacturers will not only suffer a loss in the lower premium on American funds, but they also face a further decline in demand for paper. American publishers have been restricting the size of their papers for some time past. Ordinarily the inauguration of a president of the United States is reflected in a sharp upward demand for newsprint supplies. Such was not the case this year. Moreover the closing of stock exchanges, meant that the larger metropolitan dailies dropped a page ordinarily devoted to stock quotations.

Already this has resulted in the curtailment of demand running into several thousand tons of paper for the first four days of this week. If the exchanges remain closed for any length of time, the loss of business is likely to run into several hundred thousands of dollars. Inasmuch as the majority of the larger metropolitan dailies are supplied with newsprint from Canada, the effect upon operations in this country will be especially noticeable in the March returns.

B. C. Extends Empire Trade

The Forestry Department of the Provincial Government report that British Columbia mills shipped 19.45 per cent of the waterborne lumber exported from Northwest ports on the Pacific coast last year, to Empire, foreign and continental destinations as compared with 15.65 per cent for 1931.

. . . . *has Never Wavered in Its Course* . . . .

In times of expansion or depression, Canadians have learned to rely upon the unwavering safety and helpful service of the Bank of Montreal.

Older than the Dominion itself, yet young as the latest sound business enterprise of Canada, this Bank keeps strong and efficient by pursuing its traditional policy of banking practice consistent with safety for depositors, and by adjustment of its services to the demands of modern business.

BANK OF MONTREAL
Established 1817
Head Office
Montreal

TOTAL ASSETS IN EXCESS OF $750,000,000

CHASE & SANBORN'S COFFEE

Canada's favorite for half a century

A quality product of

STANDARD BRANDS LIMITED

HEAD OFFICE: MONTREAL

A Canadian corporation operating Canada's largest fresh food delivery system

MANUFACTURERS AND DISTRIBUTORS OF

Fleischmann's Bakery Products - Fleischmann's Yeast for Health - Magic Baking Powder - Gillett's Lye - Royal Yeast Cakes - Chase & Sanborn's Tea and Coffee

Electrical Apparatus Output Worth $81,600,000 in 1931

Production by firms in the electrical apparatus and supplies industry was valued at $81,578,595 in 1931 as compared with $104,577,790 in 1930 and $113,796,002 in 1929. This industry includes all concerns in Canada which are engaged primarily in the manufacture of equipment for use in the generation, transmission and utilization of electricity.

In 1931 there were 168 factories in this group, 124 in Ontario, 19 in Quebec, 8 in British Columbia, 7 in Manitoba, 4 in Alberta and one in Nova Scotia. These plants represented fixed and working capital of $100,057,945 and employed a monthly average of 18,207 people throughout the year. A total of $22,474,319 was expended in salaries and wages and $32,385,342 was paid out for purchased material.

In addition to the electrical equipment made in this industry, there was a considerable amount made as a minor product by concerns which have been classified to other groups. For example, most of the producers of electric washing machines have been included in the household machinery group, some manufacturers of lighting fixtures have been allotted to the brass foundry industry, etc. The output of electrical apparatus by such firms in other industries amounted to $18,888,481 in 1931.

CORPORATE INVESTORS LIMITED

The policies and unusual safeguards of this Canadian investment institution — conducted solely in the interests of participants may be the answer to your present problem.

Circular on request.
General Distributors:
CITY & DOMINION COMPANY LTD.
21 Melinda St., Toronto

A Service to Investors

The Bond Department of this Bank is available to investors daily during business hours.

Orders to buy and sell securities are executed with promptness and despatch.

Consult the manager of our nearest branch.

THE DOMINION BANK
ESTABLISHED 1871

373P

BRANCHES THROUGHOUT CANADA AND OFFICES IN NEW YORK AND LONDON

STEEL STRUCTURES
PLATE & TANK WORK
CAISSONS, BARGES
RAILWAY & HIGHWAY BRIDGES
SWING & BASCULE SPANS
COAL & ORE BRIDGES

Hydraulic Regulating Gates and Operating Machinery
Liftlocks, Turntables, Electric and Hand Power Cranes
Gear Cutting, General Machine Work, Forgings

DOMINION BRIDGE COMPANY
LIMITED
HEAD OFFICE - LACHINE (MONTREAL) QUE.

BRANCH OFFICES AND WORKS:
MONTREAL OTTAWA WINNIPEG VANCOUVER
AMHERST TORONTO CALGARY

AGENCIES: EDMONTON REGINA

Footnotes to Ottawa

An occasional department of comment on the background of governmental activities in the nation's capital

By Our Ottawa Correspondent.

Four Plans to Aid Livestock

OTTAWA.—Indicative of the very strong pressure being exerted upon the government by the livestock industry to bring about an improvement in the basic prices of cattle and hogs and dairy produce, four definite and far reaching proposals have been advanced. In one form or another all four are still being actively pressed.

They are:

1. The claim of milk producers for higher prices from milk companies—as evidenced by Premier Bennett's motion instructing the Agricultural Committee of the Commons to carry out an enquiry.
2. The Serkau cattle syndicate proposition to sell 100,000 head of cattle to Russia and accept coal and oil in payment. This proposition has now reached the final phase and will likely be turned down.
3. The proposal of independent livestock men, supported vigorously by several Conservative members to send, with the assistance of a state bonus, 20,000 head of cattle to Great Britain in the next two months.
4. The proposal to enact legislation creating a National Marketing Board which would pool all livestock and dairy production, along the lines of the Paterson pool in Australia. This scheme carries wide support in Parliament but has been vetoed, temporarily at least, by Mr. Bennett—according to reliable reports.

* * *

Milk Enquiry

THE milk enquiry is only begun, but it promises to be thorough and to set at rest the agitations presently underway in Toronto, Hamilton, Montreal and other areas by the milk producers. The committee wil begin its enquiry with Montreal.

* * *

Russian Barter Plan

THE Serkau syndicate proposal has been changed so often that great confusion exists as to what really is at stake. Originally Serkau requested a government guarantee of approximately $4,000,000 with which to purchase the cattle, and a government guarantee against the voiding of the contract by the Russian government. He proposed to accept in payment for the cattle Russian anthracite and oil.

This proposition being summarily refused, he put in a second plan. The request for a government guarantee was dropped and the syndicate contented itself with asking for a permit to import anthracite coal, despite the existing embargo against it, and an assurance from the government that tariffs would not be increased against Soviet goods during the life of the contract.

The second proposal, also, was rejected by the government and this week the syndicate came forward with a third and final plan. The request for stability of tariffs was dropped and the government asked only to permit entry of Soviet anthracite. This final proposal was submitted direct to Mr. Bennett and while his answer had not been received officially on Tuesday it was expected he would refuse to allow entry of Russian anthracite.

* * *

British Cattle Sale

THE proposal of the independent livestock men also calls for substantial expenditures by the government. Present prices for cattle in Britain are favorable, but a slump in the market is looked for at the end of April when the Irish cattle come on the market. The livestock men desire to export 20,000 head of Canadian cattle to Britain in the interim. They want the government to bring about, by bonus or other action, a worthwhile reduction in freight charges on cattle from interior points to the seaboard. They want the government either to (1) buy or lease suitable ships and carry the cattle to Britain at low cost, or (2) subsidize shipping companies to the extent necessary to have them equip their ships with cattle stalls and thus enlarge cargo space at once. They want, in addition, the government to take care of the exchange differential, paying Canadian exporters at par of the pound.

* * *

National Marketing Board

THE Marketing Board policy is perhaps the most far-reaching of all four. It is proposed to appoint a board which would have complete authority over the marketing of all livestock and dairy products. This board would lift the surplus off the market, thereby enhancing domestic prices, and would dump the surplus in foreign countries for what it would bring. Total receipts from the sale of produce would be pooled and the producers would be paid their fair share.

This scheme, it seems, was worked out by the larger co-operative societies. It has the support of many members of parliament and not a few cabinet ministers. Ottawa gossip is to the effect that Premier Bennett has pigeon-holed the proposition and thereby made action most improbable this year, if ever.

Ontario Butter Output Higher

An increase of 4.50 per cent in the production of creamery butter in Ontario in January, 1933, as compared with the corresponding month of 1932, is reported by the dairy branch of the provincial Department of Agriculture. Production in January of this year was 3,638,061 pounds and in January, 1932, 3,532,815 pounds.

FRASER COS. SET UP HEAVIER LOSS DURING PAST YEAR

Bank Obligations Reduced by $1,000,000 in 1932

DEFICIT $2,316,422

Lack of Demand, Together With Lower Prices, Restrict Earning Power

From Our Own Correspondent

MONTREAL.—Conditions in the pulp and paper and lumbering businesses last year militated against an improvement in earning power of Fraser Companies. The financial position of the company, however, shows some improvement especially in relation to current and non-current banking loans which have been reduced by about $1,000,000.

Both the demand and value of the company's products dropped last year. The Chatham sulphite mill was closed down as soon as pulpwood on hand had been used up. The Restigouche and Edmundston pulp mills both operated during the year but at a low rate of capacity. The Madawaska paper mill had only a fair year, while the saw mills only cut to balance inventories. Inventories of lumber on hand were reduced 40 per cent during the year.

Write Down Inventories

In order to take care of the falling off in values, inventories were reduced $355,432 at the end of the year. Of this amount $93,193 applied to the Restigouche Co.

Deficit Totals $2,316,000

Operations for the year resulted in a net loss of $111,477 as against a profit of $1,382,341 in the previous year. After taking care of interest charges, depreciation and depletion, deficit for 1932 totalled $2,316,422 compared with $1,260,110 in 1931. Particulars of the income account follows:

	1932	1931	1930
	$	$	$
*Net earn. ...	111,477	1,382,341	278,289
Less:			
Inv. depr. ...	355,432	263,087	1,938,215
Deprec. ...	553,815	560,483	628,534
Depletion	261,018	44,825	193,857
Bond int.	792,359	647,084	612,283
Deb. int.	......	390,000	390,000
Other int.	465,273	736,972	734,870
Net loss	2,316,422	1,260,110	4,219,470

*—After operating expenses, taxes, etc., and provision for bad and doubtful debts.

Note: During 1932 no provision made for depreciation of saw mill buildings and machinery, nor on Chatham sulphite mill buildings and machinery for the four months ended December 31, 1932.

Working Capital Position

	1932	1931	1930
	$	$	$
C. assets ...	3,456,381	5,645,893	9,804,681
C. liabs. ...	4,523,312	4,279,788	7,312,278
Work. cap.	*1,066,931	1,369,105	2,492,403

*—Excess of current liabilities over current assets.

Lower Asset Values

The balance sheet of Fraser Companies at the end of 1932 gives effect to the recent reorganization. Assets are shown at $29,781,179 compared with $50,910,672 at the close of the previous year.

Current bank loans show an increase during the year from $2,849,000 to $3,353,291. On the other hand non-current bank loans have been reduced from $4,000,000 to $2,483,708, so that the total of bank loans at the end of 1932 was $5,836,999 as against $6,849,000 on December 31, 1931, a reduction of roughly $1,013,000. These loans are now secured by $1,096,000 of Fraser Cos. prior lien bonds and $2,772,000 of 6 per cent first mortgage bonds. Accrued interest on the latter amounts to $83,160.

Outstanding funded debt in the hands of the public amounts to $8,701,501 which sum included deferred interest to the end of the year.

Among assets fixed assets have been reduced from $39,223,424 to $26,163,345. Investments have also been lowered, now standing at $10,236 as against $395,523 a year ago.

Reviews Current Position

In his comments upon the year's operation K. S. MacLachlan, president, had the following to say in part:

"You will note that the balance sheet submitted herewith gives effect to the results of the plan of reorganization. It also gives effect to a substantial reduction in the value of fixed assets. It is necessary to make this reduction in order to value these properties in accordance with present price levels and to allow for the write down of the value of investments and obsolete units to nominal figures.

"While the markets for the companies' products are still weak the improved qualities are meeting favorable reception and close scrutiny is given to all markets and all prospects are being aggressively followed up.

"During the coming year lower cost of production can be expected through lower costs of pulpwood and other raw materials as well as through continued improvement in operations. The loss through the operation of the Chatham pulp mill has been eliminated. Inventories of finished products have again been reduced to lower market values and unless substantial further reductions in values are established no further loss from lumber inventories may be expected."

Sell Dominion Park Property by Auction

From Our Own Correspondent

MONTREAL.—Following a written request from holders of more than 25 per cent of the $150,000 7 per cent first mortgage bonds of Dominion Park Co., the trustee has announced that property charged under the trust deed will be sold by public auction on March 24 in Montreal. Action follows a year of unsatisfactory operations.

Dominion Park Co. owns 165 acres of land in the eastern section of Montreal, of which 14 acres is operated as an amusement park. In addition to the bonds outstanding, there is issued $400,000 of capital stock on which a dividend of 50 cents a share was paid in 1929, none since.

Failures Down 12 Per Cent From Same Period in 1932

Failures under the Bankruptcy Act continue less than in 1932, the total for the week ended Feb. 25 being 40 compared with 41 in the corresponding week of 1932. For the period from Jan. 1 to Feb. 25 failures numbered 334 compared with 381 in the same period of 1932, a decrease of 47 or 12 per cent.

Failures for the period by provinces are as follows:

Failures By Provinces
(Period Jan. 1 to Feb. 25)

	1932	1933	Incr. or Decr.
Prince Edward Is. .	1	2	+ 1
Nova Scotia	13	12	— 1
New Brunswick ..	13	6	— 7
Quebec	122	97	—25
Ontario	153	157	+ 4
Manitoba	14	15	+ 1
Saskatchewan ...	12	10	— 2
Alberta	32	21	—11
British Columbia ..	21	14	— 7
	381	334	—47

New Trade Policy Forecast for U.S.A.

Single Tariff Principle of Past Forty Years Due For Upset By Canada-U. S. A. Pact

A far-reaching and fundamental change of position on the part of the United States in regard to its world trading position is forecast in the news from Ottawa and Washington that a Canada-U.S.A. trade pact is receiving very serious consideration in these two capitals.

If Canada and the United States consummate a reciprocal trade pact in the near future it will be the first occasion in over 40 years for that country to make a preferential trading agreement with a major trading country of the world.

Only One Tariff

It is not generally appreciated that tariff laws of the United States since the "Tropical List" treaties of 1890 (abrogated in 1894), have provided only one schedule of rates which are applicable to each and every country of the world and despite important attempts to upset this trading principle the plan has been consistently followed until the present day. The only existing exception to this rule rule at the present time is the Cuban reciprocity treaty of 1902 which affects a small volume of trade between the two countries.

Now comes Franklin D. Roosevelt with a clear-cut plan to upset a four-decade policy and to initiate, according to his remarks at Seattle last September:

"......a tariff policy based in large part upon the simple principles of profitable exchange arrived at through negotiated tariff with benefit to each nation. If I am any judge of conditions, this policy will be initiated on March 4 next. This principle of tariff negotiation means to deal with each country on a basis of fair barter; if they have something we need and we have something they need, a tariff agreement should be made satisfactory to both."

Steps Already Taken

That this plan is definitely to be followed is indicated clearly by what has already happened at Washington, for on January 13, Democratic Senator Costigan introduced a resolution in the Senate directing the Tariff Committee to make certain investigations with respect to tariff bargains. This resolution, introduced clearly to aid the new Democratic administration, was adopted January 28 and includes at least one significant paragraph as follows:

"Having in view early and **reciprocal reduction in tariff rates in the United States and foreign countries** and increased trade and commerce between the United States and foreign countries."

Guideposts of the Past

Although such policy has played little part as yet in the trade history of the United States, President Roosevelt has several precedents for his programme and many guideposts for the future, in the success and failure of this type of policy in the past.

The first reciprocal tariff ever instituted by the United States was with Canada in 1854. Said to have been motivated for political rather than trade reasons as far as the United States was concerned, it lasted for 11 years until broken off by the U. S. A. Its terms may be of interest in view of the present discussion. The treaty admitted into the British provinces and the United States respectively, free of duty, the following articles or products:

"Grain, flour and breadstuffs of all kinds; animals of all kinds; fresh smoked, and salted meats; cotton wool, seeds and vegetables; undried fruits, dried fruits; fish of all kinds, products of fish, and of all other creatures living in the water; poultry, eggs, hides, furs, skins or tails undressed; stone or marble in its crude or unwrought state and slate; butter, cheese tallow, lard, horns, manures, ores of metals of all kinds, and coal; pitch, tar, turpentine, ashes; timber and lumber of all kinds, round, hewed and sawed, unmanufactured in whole or in part; firewood, plants, shrubs and trees; pelts, wool, fish, oil; rice, broom-corn and bark; gypsum, ground or unground; hewn or wrought or unwrought burr or grindstones; dye-stuffs; flax, hemp and tow, unmanufactured; unmanufactured tobacco; rags."

Canada Anxious to Renew

That Canada was more than anxious to revive the 1854 agreement (at least for the next 20 years) is indicated by the fact that in 1868 a standing offer of reciprocity along the lines of the treaty was incorporated in the tariff law of confederated Canada, renewed in a modified form in the National Tariff policy of 1879, and again expressed though in very general terms in 1894. It was not till 1891 that the Conservative party in Canada first modified its position in respect to the agreement and favored restricted reciprocity, the election in that year being fought on this issue with the Liberals still favoring an unrestricted trade policy. Later in the 90's the Liberals modified their position and in 1897 the standing offer of reciprocity was eliminated from the tariff laws of Canada by the Laurier government. In this period (1868-1898) at least six attempts were made officially by the Canadian Government to renew negotiations.

In this same period two reciprocal gestures were made by the United States. One to Haiti in 1876 in regard to sugar and which subsequently resulted in the ultimate annexation of the islands, and the other in 1900 which extended a fixed schedule of reciprocal tariff rates to 10 countries including the German Empire, Great Britain (on behalf of the West Indies) Brazil, Spain, Austria-Hungary and so forth. The treaties were automatically abrogated by the United States in 1894. It is interesting that this act set a precedent in that it gave the president of the United States for the first time, authority for a comprehensive programme of tariff bargaining.

Reciprocity Commission

The next important step was a Reciprocity Commission appointed by President McKinley in 1897 to negotiate reciprocal treaties for the reduction by not more than 20 per cent of the duties on any articles imported into the United States in return for equivalent concessions by the other party. A series of treaties was negotiated by the commissioner, John A. Kasson, of Iowa, the most important of which was with France in 1899. Despite the approval of the president the treaties were pigeon-holed and never received favorable action in the Senate Committee for Foreign Relations. The significance of this experience, according to the Whaley-Eaton Service, Washington, is that:

"It distinctly points to the futility of negotiating reciprocal treaties dependent for their ratification upon Congressional action.

"It is to be hoped," says this authority, "that Congress will grant to President Roosevelt broad powers to negotiate tariff bargains and that they will subject them only to the power of veto rather than to affirmative action by either or both Houses."

1911 Reciprocity Pact

The next important step was of course the famous Canada-U. S. A. reciprocity pact of 1911 which coincided with the entry of the Democrats into power under President Taft and which was negotiated comparatively quietly by mutual consent with Hon. W. S. Fielding for the Laurier government negotiating for Canada.

In the famous election of September 21, 1911, Conservatives swept the Liberals out of power in Canada and thus turned a cold shoulder to a plan which was, apparently, definitely acceptable to the United States.

Its chief provisions called for free trade as between both countries in a long list of agricultural products including live animals, cattle, sheep, etc.) grains, vegetables, dairy products, fish, unmanufactured lumber and products; some minerals, notably asbestos; iron sheets, wire, printing presses, pulp wood, newsprint paper and so forth. A second group of items called for lower and identical tariffs between the two countries, notably on: meats, confectionery and miscellaneous foodstuffs; agricultural implements, building stone, automobiles, plate glass and so forth. A few items, notably: aluminum. iron ore, lath shingles, sawed boards and lumber were allowed special rates into the United States and in the fourth group, condensed milk, canned fruits and bituminous coal, were allowed special rates into Canada.

Lacked Definite Duration

In view of the present discussion as to the type of treaty which would be acceptable to Canada, namely a definite pact which would be effective for a fixed number of years and not subject to abrogation by reason of a change in the tariff structure of either country, it is of interest that it was this very matter which offered an important objection to the 1911 pact.

Sir Robert Borden, for instance, in the House of Commons described the pact as indefinite and unsatisfactory in the vital matter of duration. This weakness had been shared by all other reciprocal pacts which U. S. A. had previously entered upon, in that they were abrogated once a change was made by that country in the tariff item affecting any article mentioned in the pact. Advices from Ottawa this week indicate that Prime Minister Bennett will not consider any treaty unless it can be made for a fixed and definite period.

What Could Be Done?

Just what could be done if a reciprocity pact were to be entered into between Canada and the United States at the present time is obviously the real problem facing Canada and the United States. Canada would like to see a market open again for farm products and lumber but there is the obvious difficulty that a fundamental plank in the Roosevelt programme is "extension of markets for Americaan farm products and the restoration of the purchasing power of the farmer by increasing the prices of these products."

How this can be achieved and the opportunity of the Canadian farmer to sell in the United States widened at the time, will doubtless be the biggest problem facing the negotiators. It will be recalled that in the 12 months prior to the imposition of the Fordney tariff in 1921, Canada's exports of farm products to the United States and which were affected by that tariff, were valued at $174,000,000. By 1930 when the Hawley-Smoot tariff was imposed these imports had dwindled in value to $47,000,000 (12 months ending June, 1930) and two years later after a further boost in the United States tariff wall, the corresponding figure for exports to the United States of the same items was down to $8,850,000.

Similarly by direct and indirect action, Canada has piled high the tariff bricks and trade barriers so that for the calendar year ending December, 1932, our imports from that country had dropped to $263,000,000 as compared with a corresponding figure of $893,000,000 in 1929. This tremendous slump is of course far greater than can be explained either by the intervening fall in prices or the ordinary decrease in trade volume due to depressed business conditions.

It would seem that one of the most important concessions which United States will seek from Canada, is removal of the numerous and vital handicaps to trade in the form of customs restrictions, arbitrary valuation clauses and so forth which are considered to be equally if not more important than direct tariff action in handicapping trade at the present time.

Hand Looms and Horses Take Places of Machines

Hand spinning wheels and horses in an age ruled by machines seem like a breath from the past yet this appears to be the most modern trend among our rural population. Reports from Winnipeg indicate that a large number of settlers in Manitoba are busy making yarn on hand spinning wheels and a manufacturer in Winnipegosis is turning out these simple machines in large numbers.

Harness companies report that they are busier than for many years and on many farms the tractor is being allowed to lie unused. It would appear to be infinitely cheaper to feed horses on 40 cent grain than buy gasoline for the farm tractor.

Free Trade Secretary of State But Protectionist Treasurer

By M. M. WILNER

WASHINGTON.—The new administration of the United States is taking office under a secretary of state who probably is the most ardent free trader that has risen to high place in the republic since before the Civil war. That fact has abstract interest, at least, for Canadians and for people of other countries which hope for more favorable trade relations. In the years when Cordell Hull was a member of the House and especially when he was chairman of the Democratic National Committee, free trade was his favorite subject for speech and proclamation. He always could grow eloquent upon it. Critical comment has used the words "obsession" and even "fanaticism" in describing his attitude. People of other countries whose minds are trained to the ministerial system of government, however, easily may draw unwarranted interpretations from the facts. Senator Hull will be the highest officer in the United States Cabinet, but that is very far from the position of premier as it is understood in Canada and Great Britain. Except in a general consultative way, he will have little to say about the new tariff policy. The negotiation of any treaties relating to trade relations will be in his hands, but the dominating question of the effect of tariff on the revenue and on domestic industries will be under the treasury department.

Treasurer is Republican

That adds a complication to the situation, for the new secretary of the treasury, William H. Woodin, is a big business man, who has been schooled from childhood in the ideas which distinguish the Republican party. His club and other associations still are Republican, and he was an active Republican till 1928, when he supported Mr. Smith rather on personal grounds than through any change in political beliefs. The Woodin influence naturally will be for recognition of the value of protective tariffs, at least, though his conception of their correct application may be quite different from that of the Hoover administration.

Mr. Woodin has added immensely to the claims of the Roosevelt administration to public confidence, for he is reputed to be a firm, sound-money man. The rest of the Cabinet is considerably divided between the different schools of thought which united to form the opposition to President Hoover. Two other recent Republicans, the secretary of agriculture and the secretary of the interior, are entering the new official family. Mr. Ickes, who will have the latter post, probably is the most radical man in the group, but it hardly can be said that he is more radical than an honest man active in Chicago politics has to be.

On the whole, while the Cabinet is credited with a balancing weight of liberalism, it most emphatically is not dominated by "wild men," as some conservatives feared it might be.

With a big deficit, incompleted appropriations and the failure during the present Congress of nearly all measures aiming at economic reconstruction, the Roosevelt administration has a tremendous task to undertake, but it is showing the marked influence of strong and capable business minds, and the probability is that a good many propositions, such as farm subsidies and industrial bonuses, which have been conspicuous in the talk of the last few months, will be argued down before they ever reach a vote.

SAFETY OF CAPITAL—CERTAINTY OF INCOME

Crown Trust Service

Competent care and management of the property of clients.

We invite your enquiries.

Crown Trust Company
393 ST. JAMES STREET • MONTREAL

LET US SERVE YOU AND YOUR FAMILY

Grow Industrially With Canada

For confidential co-operation and data (gratis) on all factors relating to branch plants, warehousing Canadian representation, etc., and natural resources, write to the
INDUSTRIAL AND NATURAL RESOURCES DEPARTMENT
Canadian National Railways

Make Use of Our Library

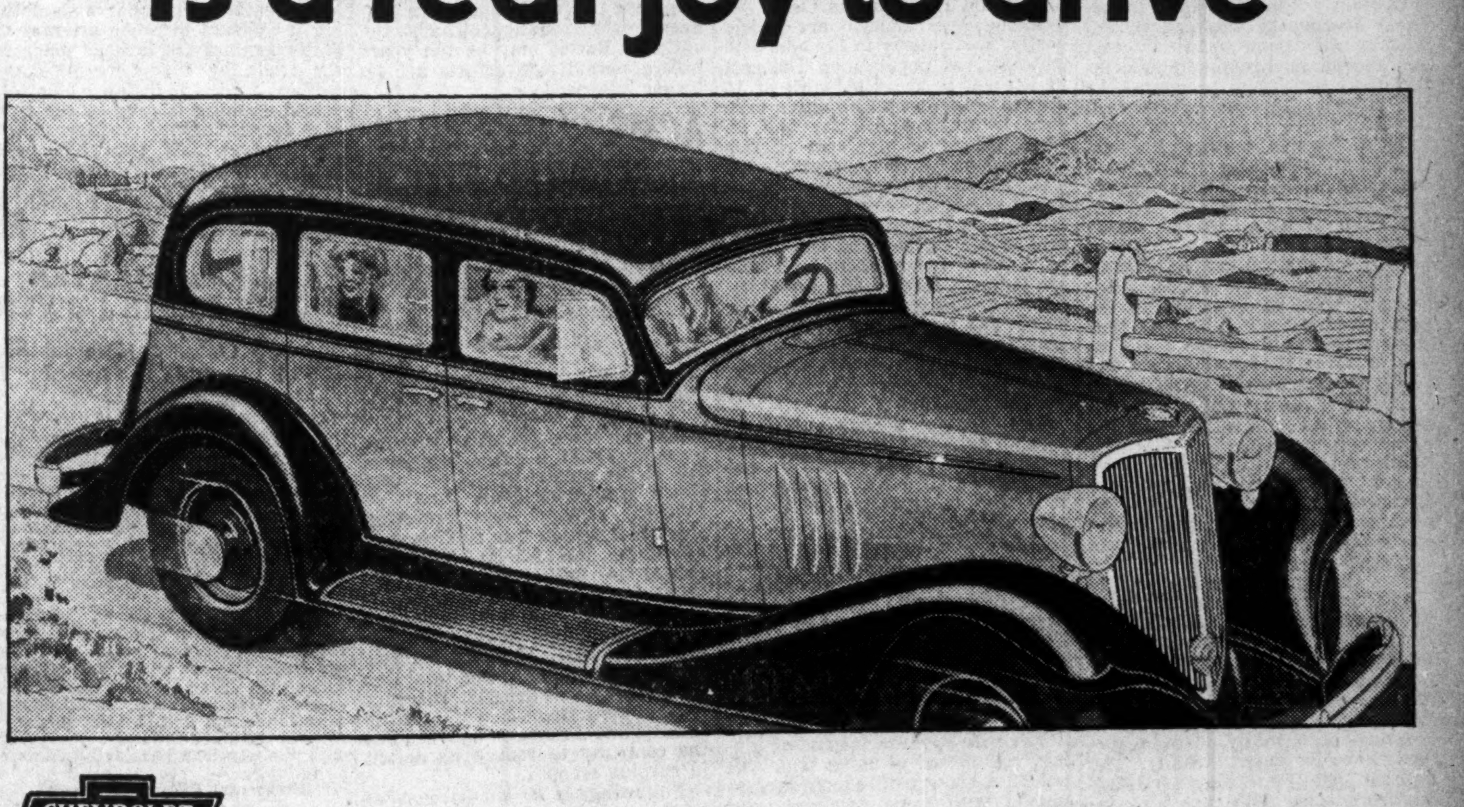
NEW YORK, N.Y.
M. W. Maxwell
Industrial Commissioner,
673 Fifth Ave.

MONTREAL, P.Q.
Wm. Phillips,
Manager,
355 McGill St. (Room 306)

For Information re
NATURAL RESOURCES IN WESTERN CANADA write—
F. V. SEIBERT — *Sup't. Natural Resources*
WINNIPEG, MANITOBA

• with FISHER NO-DRAFT VENTILATION
• with CUSHION-BALANCED ENGINE
• with "STARTERATOR" SIMPLIFIED STARTING
• with SYNCRO-MESH AND SILENT SECOND
• with SAFETY GLASS WINDSHIELD

THE NEW CHEVROLET SIX
is a real joy to drive



CHEVROLET
GM GENERAL MOTORS PRODUCTS

Do you know the *enjoyment* of modern motoring? Have you driven the new Chevrolet Six? Two questions, yes—but their meaning is exactly the same. For when you take the wheel of this amazing new Six you'll get a *brand new* thrill!

First, a fine feeling of pride. No motor car of previous years — no low-priced car you've ever ridden in up to now—can equal the new Chevrolet's smart, ultra-modern Air-Stream styling. You'll marvel at the smooth, easy way it rides—get a real idea of what Chevrolet's new bigness, length and lowness mean in comfort. You'll vote its new No-Draft Ventilation indispensable. And you'll feel better behind its Safety Glass windshield.

But most of all, you'll warm to this new Chevrolet for what it can do—and the easy way it handles. It's a *proved* Six . . . smooth and quiet at every speed. It's Cushion-Balanced — every trace of annoying vibration ended. It has that exclusive new feature, Starterator — you start by simply depressing the accelerator treadle. To its famous Syncro-Mesh easy gear shift is added "Silent Second". New Octane Selector gives extra pep and extra mileage whether it's premium or low-test gas you use. Engine horsepower is stepped up . . . acceleration made a matter of split seconds . . . top speed harnessed to new stability . . . brakes built larger. And with all this great performance there's *new economy!*

Startling?—yes, the new Chevrolet Six is all of that! It's Made to Order for Canadians — the biggest value in Chevrolet history. Take the wheel; see for yourself!

WHAT 30,000 MOTORISTS TOLD US
This "Automobile Buyer's Guide" tells about our recent survey among Canadian motorists and provides information which you will find valuable in choosing your next car. Send coupon for free copy:
Customer Research Dept.
General Motors Products of Canada Limited, Oshawa, Ont.
Name....................
Address.................... C-71

• Produced in Canada

THERE IS A CHEVROLET DEALER NEAR YOU TO SERVE YOU

Mediocre Efforts Lose Out in Radio

Much Money Wasted in Canada in Second-rate Air Advertising — Some Pointers on Using Air for Publicity

By RIELLE THOMSON

Commercial radio has put prosaic business men into the entertainment business. Hence many programmes have not achieved the success the expenditure warranted. It is impossible to say that any individual advertising programme was unsuccessful. Executives and the advertising agencies are not inclined to admit that expenditures running sometimes into tens of thousands of dollars were in part wasted.

That certain programmes have been discontinued, also, does not indicate that they have not been successful. The Our Jimmy and Jane programme of W. Clark was very successful. It is on the air no longer. But W. Clark Limited will probably be back on the air with that programme, or another in its place. Few manufacturers can afford to be on the air with an expensive show for fifty-two weeks a year.

Need Good Showman

Whether a radio programme will be successful depends solely on the qualities of the producer, that is the man employed to produce the show. If he is a real showman, the programme will be a success.

This puts the onus of success or failure on the shoulders of the radio producer. At least it would do so, were it not that most sponsors believe that they have an inspired knowledge of the entertainment business, and usually endeavor to rearrange programmes which have been designed for them.

Unfortunately many who pose as radio experts have no knowledge either of music or the art of the theatre, the two major components of radio skill. In Montreal there are but one or two out of the many in the radio producing business who have any knowledge of the requirements of radio. For one unfortunate sponsor, an agency man who didn't know a fiddle from a bassoon produced a symphony orchestra series. The conductor in this instance knew his business, but the producer had a genius for picking the kind of music unsuited to the orchestra, unsuited to the listener, and unsuited to the product.

Dramatic shows have been put on written by those with no experience in drama, played by actors of no experience, and directed by those who've not learned how to make the most of the lines. In Canada today, commercial radio finds itself in the slough of incompetent producers. The artists, the instrumentalists, the singers and actors, can do a good job. But they are held back by poor direction.

Institutional Campaign

Criticism cannot be applied to shows such as Canadian Industries has had on the air for two winters. In these programmes, the C.I.L. used showmanship. They produced material with a wide appeal. They hired as conductor one whom many consider to be the ablest in his field.

Obviously the Canadian Industries' broadcasts were successful first in attracting public interest and second in directing public interest toward their products. As the largest chemical producer in Canada, C.I.L. is bound to grow rapidly. We live in a chemical age. Canadian Industries requires a favorable public attitude toward its widespread endeavors. To use the lingo of high-powered advertising men, their radio advertising was of an institutional character. No less than 25,000 requests for booklets were received during the past two seasons. It is said that the sponsor paid out as much as two or three thousand dollars for single performances in this series.

The mere mention of a name on the air brings no results. This type of advertising programme is now hardly remunerative. Radio is no longer a novelty. Switches are snapped, or dials turned just as soon as a ham programme comes on sponsored by more than one manufacturer.

Radio is Growing

That radio is an economic means of purchasing advertising cannot be proved. But the buyer of advertising has certain significant points to take into account in considering radio. Despite the conditions of the past three years, the revenues of virtually all radio stations have increased steadily. The amount spent by leading aerial advertisers since 1929 has also increased substantially This includes firms from Pepsodent to staid organizations like the New York Life.

"But all right," snaps the Canadian business man, " how can I go on the air and compete with expensive programmes?r"The answer is, of course, that programmes of quality are required. And quality is not synonymous with terrific expense. Nor does quality imply putting on a programme of Bach in a series designed to sell soft drinks. Quality can be included even in a programme of jazz.

Quality in a programme consists in doing something—whatever it is—well. And this depends entirely on the abilities of the producer, the showman. It seems to be the universal attempt of the Canadian sponsor to be pretentious. When he has enough money for a good pianist, he hires a poor string quartet; when he has enough for a small orchestra, he hires a ham symphony.

Quality Produces Listeners

Although sponsors won't admit it, the average listener—he of the 14 year old intelligence—recognizes quality. Witness the Imperial Oil symphony of a year or two ago. Canada has had other commercially sponsored symphonies on the air, but none have done as well as Imperial's from an advertising standpoint. And why? Because Imperial Oil were smart enough to recognize that quality produces the listeners.

But to come to the less pretentious shows, take Syrup Symphonies. Here is a little broadcast that goes on once a week only. The programme is designed to sell prosaic commodities, syrup and corn starch. It cannot afford to be high-brow. But the sponsors who have been rewarded for their skill by larger sales, have put quality and showmanship into the programmes.

Syrup Symphonies have first and foremost an orchestra which shows the results of conscientious rehearsing. The average listener could not point out that the attack is good, that the accompanying instruments do not drown out the melodies, that the fiddles play consistently in tune, or that the cello player is a well-known solo performer. Nevertheless, it is matters such as these which lift the performance to a point which forces the attention of the listener. In these programmes, showmanship also plays its part, the announcing is good, a competent soloist obtains the listener's approval, and the tempo of the performance moves forward vigorously; each number is of a length which will leave those before the loud speakers wanting more. The music is of good quality, although usually light in character.

The experience of another manufacturer who tried to push a soft drink by radio illustrates a point. This manufacturer was fortunate at the start because his producer knew his business. It was thought that a jazz orchestra would reach the type of audience required. Funds would not permit hiring a large first-class ensemble. So the producer decided to use strings for his effects. A harp was even employed to make the show different. The effect was good, intriguing. It was only on the air for a few performances, not long enough to build a following, before the sponsor decreed that this jazz band was different from other jazz bands and that it must be pepped up. It was pepped up with brasses and thus entered into competition with all the top-notch jazz bands on the air. The series ran its thirteen weeks and petered out.

Small Pay For Writers

One reason why aerial dramatic presentations in Canada have not been commercially very successful is because sponsors hesitate to pay for scripts. Some writers working for radio get about ½c a word for their efforts. On this basis the script for a quarter hour dramatic presentation would cost merely $10.

Sponsors will only get results if they pay artists well. The N.B.C. puts on one man with a piano. He is known as the Tune Detective. And this lone performer gets more attention in Canada than many pretentious domestic efforts. Canada has plenty of talent. The trouble is that most of those in the business of producing radio shows don't know where to put their hands on it. They are too often content with the mill run of union musicians, some of whom are good, some poor, and some terrible.

What Programmes Cost

Radio programmes are fairly costly, particularly in Canada with its scattered population. The cost of a coast to coast network of 13 stations together with station time runs to about $1,400 for half an hour. About 60 per cent of this figure pays for line charges.

A Montreal-Ottawa-Toronto-Quebec hook-up costs about $340 for half an hour with about 35 per cent of this figure being line charges. A six station hook-up for southern Ontario, Quebec and the Maritimes on the same basis costs about $525. The figures vary depending on just which stations are used in each area. Moreover, some dickering goes on in certain instances, according to rumor.

The cost for artists varies according to capabilities. Singers for two songs run from $5 to $100, but the latter figure will get the best in Canada. Instrumentalists for $6 play for 15 minutes; for $8, for half an hour; and for $10, an hour. These approximate figures include a two hour rehearsal period. But most programmes should be rehearsed for longer than two hours. Unfortunately for the advertiser, most Canadian shows suffer from lack of proper rehearsal. Actors run from $5 to $50 a piece with required rehearsals.

The wise sponsor, instead of hiring, say a run of mine trio, will put on a show with one first-class pianist with some cracking good continuity. There is little sense in paying highly for a first-class pianist and skimping on the announcer and the continuity, which is the written script spoken either by the announcer or by the performer himself. It seems to break the hearts of Canadian sponsors to pay as much for one first-class performer as for twenty second raters. But the second raters won't and don't sell goods.

Element of Surprise

There have been instances in which performances by not so famous artists have been successful in selling commodities. It is said that the Dial of Pleasure series of the Northern Electric Company sold vast quantities of radio sets. The actual performances in this series by and large lacked big names. But there was smart showmanship behind the programmes. They were well advertised and ballyhooed. Each performance had the element of surprise—always something new, something hot, something different. Wrigley's Revue is another radio show which pulls because there is showmanship and ability behind the work of the performers.

There have been sponsors in Canada who seemingly have left the air for good. Most of these were the cheap, one-horse, local broadcasters. Even some of these poor programmes often assist sales, but retailers can hardly afford to keep on paying the shot. Macdonald Tobacco is one of the few large advertisers who've tried the air and not returned to it—as yet. But the tendency is to return to etherization once the sponsor has tried it.

How far the advertising success of radio is due to business men enjoying the show business, and how far it is due to results is sometimes a moot question. Business men enjoy the business of putting on a show. It's something new in their lives. They like to hear the producers tell them of the great social good their efforts are achieving. They like too, authoritatively to criticise artists. The bank roll which pays the bills naturally decides whether or not a musician is any good.

It is safe to say that while these considerations of personal or corporate vanity do to an extent affect the advertiser, yet they have little bearing on concerns which steadily use the air as one form of advertising media.

Newspaper Attitude

Because radio absorbs part of the advertisers' appropriations, newspapers formerly paid as little attention to it as possible in their columns. This situation still obtains in centres such as Montreal where there is little competition between daily papers. Papers with a broader point of view now print complete radio programmes. And sponsors in turn have realized that their broadcasts reach a wider audience when complementary newspaper space is purchased. Sponsors realize, too, that radio is only one form of advertising and that periodical space is the one fundamental form of publicity.

The value of radio advertising should not be underestimated. It is peculiarly useful in doing certain kinds of work, such as the creation of good-will.

But radio's place among the various forms of advertising media is now better realized. It can be said that radio is valuable only to the larger advertisers who can afford a variety of media.

Lacks News Appeal

Radio lacks an appeal inherent in all newspaper and periodical advertising. And this appeal touches a fundamental human characteristic. It is the human desire for "news."

And the printed word carries a conviction which no announcer's voice, even reeking with sincerity, can give.

Companies such as the utilities which have public relations problems prefer to depend on the newspapers because radio, unlike the newspaper is used to cultivate public opinion.

Radio is growing steadily. It's on its way. But in Canada on its way where? Coast to coast broadcasting costs are high. The cost problem can in part be solved with electrical transcriptions. But these are not inexpensive. They run to about $100 for a 15-minute record. Musicians also often charge more to make records.

Some sane radio folk believe that the present status cannot be maintained. The sustaining programmes are good. But 85 per cent of the sponsored material in Canada is just so much blah. It is felt that more and more will the Radio Commission step into the picture.

The small, cheap programme is dying already. What with good programmes such as Dominion Oilcloth's, listeners will not be bothered tuning in those of a lower grade.

Better times will bring even better programmes from the larger commercial sponsors. The cheapskate producers and sponsors will be forced out. Stations may even begin to lose money. But probably what they lose from poor programmes dropping out, will be completely offset by incoming programmes of quality. That's the outlook. But it may be ten years before second rate efforts are no longer etherized.

ACME GLOVE BUYS PREFERRED STOCK AT LOW PRICES

Profit of $159,521 Arises from Redemption of Shares

From Our Own Correspondent

MONTREAL, QUE.—Redemption of 4,296 shares of preferred stock, par value $50, at an average price of $12.87 a share is a feature of the annual report of Acme Glove Works for 1932. Profit of $159,521 arising from preferred stock redemption was sufficient to offset the loss for the year and reduce the deficit at surplus account from $84,076 to $24,464.

Operating loss last year was $74,252 compared with a loss of $12,896 in 1931. Depreciation was unchanged at $25,657 and total loss for the year was $99,909. Discount on preferred stock, however,, more than offset this loss and enabled the company to reduce its deficit in surplus account.

Following is a comparison of profit and loss during the past two years:

	1932	1931
	$	$
Oper. loss	74,252	12,896
Depreciation	25,657	25,830
Loss for year	99,909	38,726
Add: Prev. def.	84,076	*45,350
Less: Disc. on pfd.	159,521	......
Deficit forward	24,464	84,076

*Adjusted.

Working Capital

	1932	1931
Current assets	682,418	800,926
Current liabs.	37,243	25,170
Working capital	645,175	775,756

Reduction in working capital is due in part to expenditures incurred in redemption of preferred shares. Cash is lower by $41,000 at $40,617. Accounts receivable are also down $53,000 at $88,697 and inventories are down $24,000 at $553,103. It is stated that there was a limited demand for expensive merchandise which left the company with a large stock which had to be taken into inventory at a considerable loss. Inventories, however, have been taken at cost or market, whichever was lower. Fixed assets, less depreciation of $110,408 have been reduced by $24,000 to $468,558.

In liabilities accounts payable are higher by $12,000 at $37,243. First preferred shares outstanding now total $535,200 compared with $750,000 while second preference stock is unchanged at $300,000. Contingent liability for trade paper under discount is down $6,000 at $211,901.

In his remarks to shareholders, J. D. Ouellette, president of the company, said in part: "While your company has produced more units necessitating the payment of a larger amount in manufacturing wages, demand for low-priced goods has had the effect of reducing your company's turnover by 13.6 per cent as compared with 21.6 per cent being the reduction for 1931."

Well-known Manufacturers Introduce "Fighting Lines"

Lower-priced Merchandise to Compete With Cut-rate Substitutes — Opinions Differ on Use of Trade Name on Cheaper Line

"Fighting Lines" is the name given to products of nationally known manufacturers now being produced to sell at a lower price than the regular and well-known products. Everywhere manufacturers and retailers are realizing that new lower-priced lines are required to meet competition from cut rate merchandise designed to catch the lower purchasing power of the consumer.

Probably the most widely known manufacturer to produce a fighting line is the Gillette Safety Razor Company. Their new product is known as the Truflex blade and is being advertised and sold as such. However, on one side of the Truflex carton appears the imprint, "A product of Gillette Safety Razor Company." This new blade sells for one half of the price of the company's regular product and is designed to compete against the many Gillette type blades which have come on the market during the last two or three years. It is said that dealers who have started to handle this blade predict that it will be the end of the many bootleg blade competitors and should restore Gillette blade sales to the previous record total, in numbers if not in dollar volume.

Automobile Instance

While the current trend toward cheaper lines has been forced on manufacturers by the fact that a large section of the population have had their purchasing power reduced to such an extent as to eliminate them as prospective buyers of the dearer line, "fighting lines" are not new. In the automobile industry there is the well-known instance of the Essex which was produced some 6 or 7 years ago by Hudson. For the first year it was not admitted that this car was a product of the Hudson Co. as that company considered that it might hurt the prestige of the dearer car. However, it was not long before the full force of the Hudson Co. was placed behind their new car and it became a real competitor in the low-priced field.

Many instances could be quoted of lower-priced articles being produced by nationally-known manufacturers, some of them carrying the name of the manufacturer but others being handled entirely by a subsidiary company under a different name. In these latter cases, the plan usually adopted is to allow salesmen of the well-known company to take orders for the lesser known, but invoices are sent from the subsidiary company which also receives direct payment.

In Retail Field

As far as retailers are concerned this trend has become particularly evident in the boot and shoe and clothing business. In the former business, a number of large retailers' in Canadian cities have introduced a shoe to sell at $5 or lower this being $2 or $3 below the price of the regular line, while in the clothing business a number of large retailers have introduced a line of men's suits selling for $7 or $8 less than their regular "brand" line.

In the boot and shoe field lower prices are largely attributable to lower leather prices but with clothing it appears to be an attempt to battle against the inroads made in the trade by cheap factory-made clothes. A specific instance of lower-priced clothing is seen in the case of a large Toronto retailer. For many years this firm has been handling a nationally known brand of men's ready-to-wear clothes, retailing at from $32.50 to $45. Withing the past year, a line has been introduced, actually manufactured by the same firm that makes the higher-priced lines to sell at $25 and $28.50.

Needed Cheaper Line

The manager of this store told The Financial Post that the introduction of this cheaper grade of clothing was absolutely essential if they hoped to hold many of their regular customers. "While the price of our dearer lines has been reduced approximately $5 per suit during the past two years," he stated, "the salaries of many of our customers have been cut considerably lower than that and, of necessity, they must cut down on their clothing bills." He said that the introduction of this lower-priced line of clothing had not resulted in any appreciable addition to their customer list but he was certain that it had certainly proved efficacious in retaining many customers.

In selling these articles, it is usually stressed that they are produced by the same firm that makes the higher-priced lines, but not all authorities are in agreement with this procedure. One group holds that the goodwill built up for an established brand or tradmark used only on a quality product is readily undermined and perhaps it is against his best interests for a manufacturer to sponsor a fighting line under his own name.

Carry Trade Name

Others maintain that any company, favorably known as a manufacturer in certain lines of merchandise, can obtain the object of a fighting line much more rapidly if the new product carries its name. They contend that the consumer acceptance enjoyed by the product of a known manufacturer should be exploited to the utmost, that troublesome cheap-jack competitors can be eliminated more effectively when the full force of the sponsor of a fighting line is placed openly and squarely behind it.

This battle to hold or increase customers is approached in a rather different way by Canada's largest retailer. The T. Eaton Co. are at present stressing that their fixed priced lines, such as Birkdale, Eatonia, now contain better value than at any previous time. The price remains the same but the customer benefits by improved merchandise. For example, in the past month this company advertised that, for the first time, their regular line of shoes retailing at $5 were made entirely of leather without the use of any substitutes.

Canadian Apple Exports

In 1932 Canadian apples to the value of $6,421,992 were exported to 32 countries. The British Isles bought the largest quantity—1,386,479 barrels.

FAILURES GREATER BUT DEBTS LOWER

Quebec Chiefly Responsible For Increase in Number of Failures

Liabilities of failures under the Bankruptcy and Winding Up Acts in 1932 were slightly lower than in the previous year but the number of failures was greater, according to Dominion Bureau of Statistics records. Failures numbered 2,420 compared with 2,216 in the previous year while liabilities at $51,629,303 were $1,000,000 less than in 1931.

Increase of 173 to 968 in the number of failures in Quebec is chiefly responsible for the larger total for the Dominion. In addition, the Maritimes and Ontario both recorded increases, Manitoba and Saskatchewan were lower and British Columbia and Alberta remained the same. Compared with the previous year failures were as follows:

Commercial Failures in Canada

	1932	1931	Incr. or Decr.
Prince Edward Is.	9	7	+2
Nova Scotia	62	51	+9
New Brunswick	80	74	+6
Quebec	968	795	+173
Ontario	889	793	+96
Manitoba	86	109	—23
Saskatchewan	91	152	—61
Alberta	131	131	..
British Columbia	104	104	..
	2,420	2,216	+204

Trading establishments furnished the bulk of the failures in 1932 with 1,171 followed by manufacturers with 468 and service with 290. Agriculture showed the largest percentage increase from 1931 with 190 failures compared with 125. Failures by trade groups were as follows:

Failures By Branch of Business

	1932	1931	Incr. or Decr.
Trade	1,171	1,102	+69
Manufacturing	468	464	+4
Agriculture	190	125	+65
Logging, fishing	9	5	+4
Mining	6	7	—1
Construction	83	61	+22
Transportation	43	42	+1
Finance	7	21	—14
Service	290	255	+35
Not classified	153	134	+19
	2,420	2,216	+204

Although the number of failures was greater in Quebec in 1932 than in the previous year, liabilities were considerably less, amounting to only $17,176,000 compared with $23,567,000 in 1931. This position was reversed in Ontario where failures amounted to $23,246,000 in 1932 compared with $16,083,000 in the previous year. Liabilities by provinces follow:

Liabilities of Failures

	1932	1931
P. E. I.	$ 55,366	$ 22,994
N. S.	991,118	434,924
N. B.	926,054	535,914
Que.	17,176,119	23,567,067
Ont.	23,246,379	16,083,555
Man.	3,060,552	3,476,729
Sask.	1,560,715	2,266,539
Alta.	2,086,331	2,660,311
B. C.	2,526,674	3,502,867
	$51,629,303	$52,552,900

Dominion Bureau Revises Wholesale Furniture Index

In selecting a list of items to form a fixed base for the wholesale furniture index on the base of 1926 equals 100, the Dominion Bureau of Statistics were unfortunate enough to select items which, in the light of future events, were destined not to reflect the price movements in the industry.

To change such an index which has a fixed base is a difficult matter but, in October, 1932, the Dominion Bureau were able to adjust it in such a manner that the price trend in the industry was shown. All index numbers for furniture, therefore, published before October, 1932, have been rendered obsolete in light of the new series.

Revised index numbers for the past two years are as follows:

Index Numbers of Wholesale Prices for Furniture (1926 = 100)

	1931	1932
January	97.8	77.3
February	96.1	76.1
March	94.4	75.0
April	92.7	73.5
May	90.7	72.4
June	89.0	71.3
July	87.3	71.3
August	85.6	71.3
September	83.6	71.3
October	81.9	71.3
November	80.1	71.3
December	78.4	71.3
Yearly average	88.1	72.8

Timothy Seed Output Trebled

During the past three years timothy seed production in Canada has been more than treble the average production of the previous years, according to a report of the Dominion Seed Branch. The 1932 production of timothy seed amounted to 3,150,000 bushels.

Buy Dominion of Canada Bonds

Investors requiring the highest obtainable security of principal and income are buying Dominion of Canada Bonds. One of the most attractive issues is the following:

Dominion of Canada Gtd. 5% Bonds
(Issued by Canadian National Railways)
Due February 1st, 1954.
Price: At the market.

Orders may be telephoned or telegraphed at our expense.

There is no better investment for Canadians than Canadian Government Bonds.

Wood, Gundy & Company
Limited
Toronto Montreal Winnipeg
Vancouver New York London, Eng.

Plan Straw Paper Plant

A proposal to establish a straw paper plant in Edmonton is now under consideration by a number of representative business men of the city, and a special committee has been formed to report on the matter.

Does Canada Need a Central Bank?
Two Booklets discussing all phases of a big National problem

The Economist answers the Question

ECONOMISTS, business men, parliamentarians and bankers alike have spoken highly in praise of the articles on "A Central Bank for Canada" by A. F. W. Plumptre, lecturer in money, University of Toronto. The articles were a simple statement of the pros and cons, written for the average business man reader.

Republished in booklet form, the articles have been in heavy demand. Copies, bound in paper cover, may be had at the nominal cost of, each .... 25c.

The Banker answers the Question

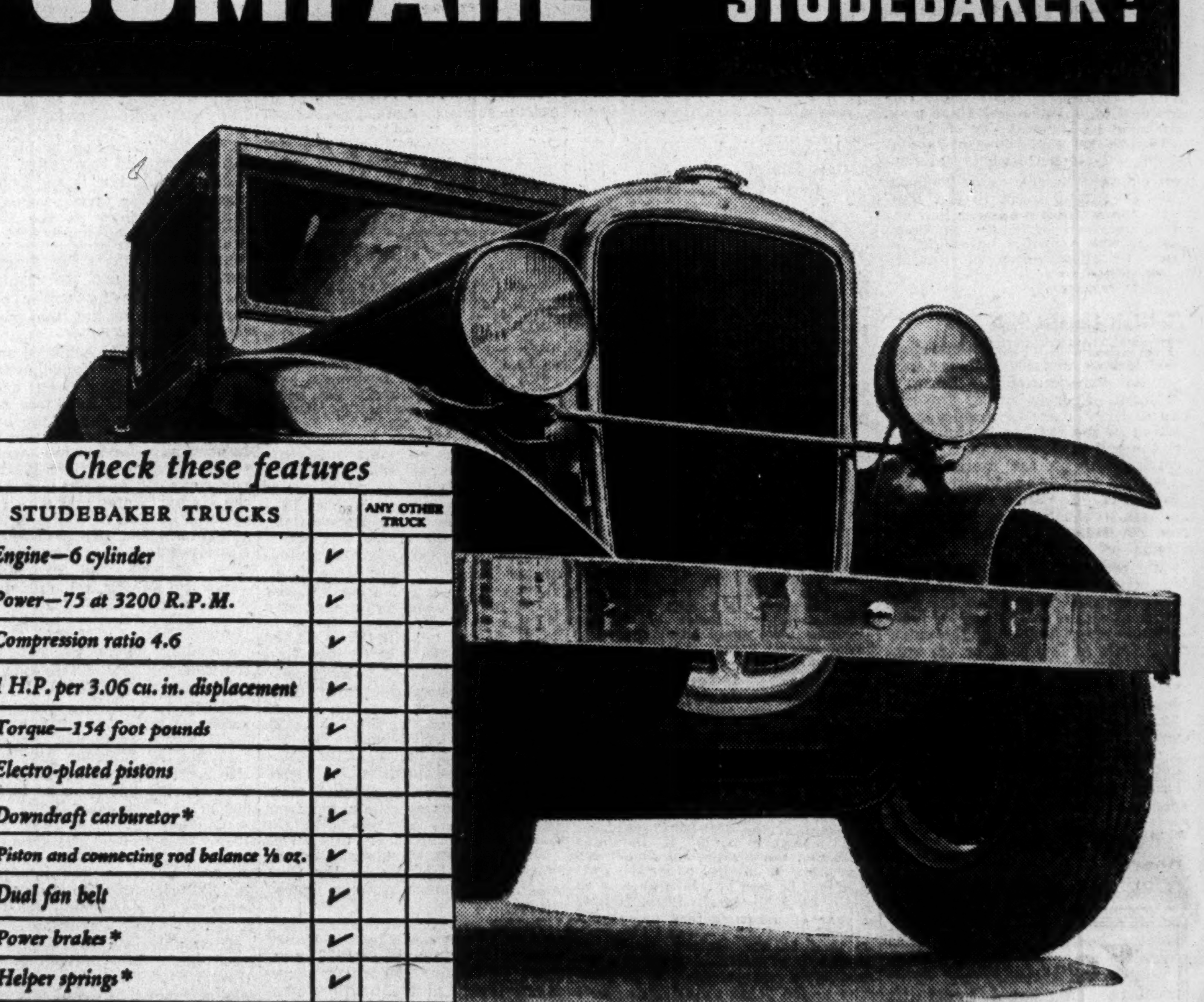
THE bankers' viewpoint on the question of a Central Bank is clearly set forth in "Does Canada Need a Central Bank?" a booklet reprinting a recent series of articles by "A Canadian Banker." The articles also cover fully the subjects of inflation, currency depreciation, etc., which are so definitely before the public at the present time.

This booklet also may be had at the nominal cost of, each .... 25c.

Use the coupon to order one or both of these books

THE FINANCIAL POST,
143 University Avenue, Toronto.
Send me the following Central Banking booklets:
......copies of "A Central Bank for Canada," by A. F. W. Plumptre, for which I enclose 25 cents a copy.
......copies of "Does Canada Need a Central Bank?" by "A Canadian Banker," for which I enclose 25 cents a copy.
Name ....
Address ....
297

COMPARE ANY TRUCK WITH STUDEBAKER!



Check these features

STUDEBAKER TRUCKS		ANY OTHER TRUCK
Engine—6 cylinder	✓	
Power—75 at 3200 R.P.M.	✓	
Compression ratio 4.6	✓	
1 H.P. per 3.06 cu. in. displacement	✓	
Torque—154 foot pounds	✓	
Electro-plated pistons	✓	
*Downdraft carburetor**	✓	
Piston and connecting rod balance ⅛ oz.	✓	
Dual fan belt	✓	
*Power brakes**	✓	
*Helper springs**	✓	
Full channel depth cross members	✓	
Prices	✓	

Then you too will see why men who know sound truck engineering buy STUDEBAKERS.

* Standard on all models except 1½-ton chassis. Auxiliary Transmission standard on 3-ton chassis.

13 CHASSIS
1½ TO 4 TONS
$895 TO $1935
f. o. b. Walkerville, Ont. Bumper, spare tire and gov't taxes extra.

STUDEBAKERS are *profit makers*

News of Investment Markets

MOIRS BOND PLAN FINDS APPROVAL WITH HOLDERS

Directors Resign — New Committee Takes Charge

From Our Own Correspondent

MONTREAL—Plans calling for a reorganization of Moirs Ltd., have been adopted by a meeting of bondholders. It was announced that the company's present directors had agreed to resign. O. E. Smith, president of the company, stated that though he still held a $60,000 interest in the firm, he was compelled to retire because of ill health. He defended capital expenditures made by Moirs, and though not in entire agreement with the plan advanced, had great confidence in the committee named to carry it out. The committee named by bondholders consisted of George E. Lewis, Horace A. Flemming, D. R. Turnbull, David E. North, and Harvey E. Crowell.

Reorganization follows a default on interest payments due January 1, on $1,553,000 of 6½ per cent first mortgage bonds outstanding. Details of earnings in 1932 have not been made public; in 1931 operations resulted in a loss of $27,366 compared with a profit of $296,567 in the previous year.

Details of Plan

Salient points of the plan call for reduction of principal amount of bonds by 50 per cent; reduction of interest rate to 6 per cent, and cancellation of interest from January 1, 1933, to January 1, 1935, inclusive, in return for which preference stock will be issued to bondholders. The new 6 per cent bonds will mature January 1, 1953.

In compensation for reduction of principal and cancellation of the interest, bondholders will receive a total of 65 per cent of the amount of bonds outstanding in 6 per cent first preference cumulative stock, par value $100, which will be distributed proportionately. Dividends will become cumulative on January 1, 1935, and until that time, or as long as there are arrears in either bond interest or dividends, preferred shareholders shall have the sole privilege of voting.

Moirs Ltd. manufactures chocolates, confectionery, and bread. Its chocolates are distributed nationally. During 1931, the company carried out an expansion programme, which included an addition to the chocolate plant at Bedford, a new power house and electric generating station, and other additions to plant.

EASY WASHING LOSS IS REDUCED, BANK LOAN DOWN

Deficit is Increased by Heavy Write-offs on Retail Accounts

Easy Washing Machine Co. had an operating loss of $76,067 in 1932 which was further increased by losses of $58,788 on retail accounts but losses were not as heavy as in 1931. Working capital was substantially reduced by the company's bank loans which are down to $58,000 from $203,200 and bank overdraft of $21,460, shown in 1931, has been paid off. The management contract with Equitable Credit Ltd. made early in 1932 is stated to have been justified.

During 1932 the deficit of the company was increased by $141,624 as follows:

Cons. Income and Surplus Account Years Ended December 31

	1932 $	1931 $
Net loss*	76,067	113,032
Less:		
Loss. on retail accts.	58,788	......
Loss on reposses.	......	111,622
Net loss	134,855	224,654
Add: Prev. deficit	216,269	61,071
Less: Sundry adjust.	5,101	......
Fixed assets w/d.	1,667	3,686
Bad debts res.	......	49,000
Deficit	357,892	216,269

*After all operating expenses and depreciation.

Ratio of current assets to current liabilities is up to 2.66 to 1 from 1.88 to 1 in 1931. Cash is somewhat higher at $3,315. Accounts receivable from wholesale customers are down to $53,126 from $81,219, after reserves, and retail accounts receivable are down to $79,697 from $310,140. On $188,007 of retail accounts $108,310 of reserves are provided for bad debts and for collection expenses. Inventories are down to $91,532 from $181,114. Reduction in bank loans has been stated above and in addition accounts payable are down to $24,955 from $68,578. Working capital position is as follows:

Working Capital

	1932 $	1931 $
Current assets	228,888	577,414
Current liabs.	86,007	306,138
Working capital	142,881	271,276
Ratio	2.66—1	1.88—1

Fixed assets are shown at $47,621 after provision for depreciation. Deferred charges are up to $10,306 from $5,681 and goodwill remains at $166,709. There remain outstanding 3,975 preferred shares of $100 par value and 38,535 shares of no par value common stock.

No Stock Quotes; Less Paper Needed

From Our Own Correspondent

MONTREAL.—Hopes of the Canadian newsprint companies for an increased demand from the United States during March fell by the wayside when the New York stock and other exchanges were closed this week. Over and above ordinary demands the inauguration of President Roosevelt was expected to cause a sharp increase in the amount of newsprint used. Any gain from that source was wiped out when the exchanges were closed and no stock quotations were printed by the daily papers.

When the exchange is open the larger metropolitan dailies devote a page to stock quotations. The dropping of this page by the five larger New York dailies in the first four days of this week caused a restriction in paper consumption of about 180 tons. When the space given by other metropolitan dailies is considered, the loss in tonnage would keep the Eddy plant at Hull operating for the better part of a month.

VIAU BISCUIT PROFITS RECORD SHARP DECLINE

Net Earnings Totalled $56,763 Compared With $218,784

From Our Own Correspondent

MONTREAL. — Operations of Viau Biscuit Corp. in 1932 after all charges resulted in a deficit of $72,189 compared with a surplus of $29,860 in the previous year, but were sufficient to cover bond interest. Gross earnings were $362,160 against $619,569 and net deficit after interest, depreciation, and bad debt reserve was $21,509. Preferred dividends, now suspended, increased this by $50,680. In the previous year earnings were equal to $13.28 a share on the first preferred and $1.19 a share on the common.

Redemption of preferred stock during the year resulted in a profit of $16,264. From surplus there was transferred $30,000 to reserve for depreciation and obsolescence, reducing surplus at profit and loss to $2,940 compared with $87,800 at the end of 1931.

Profit and Loss

Following is a comparison of profit and loss for the past two years:

	1932 $	1931 $
Gross earnings	362,160	619,569
Less: expenses	294,187	385,451
Admin. exp.	14,898	19,006
Add: sundry rev.	3,688	3,672
Net earnings	56,763	218,784
Less:		
Bond int.	21,997	22,529
Other int.	6,275	4,995
Depreciation	30,000	30,000
Bad debts	20,000	20,000
Net profit	*21,509	132,760
Less:		
Dvd. 1st pfd.	50,680	70,000
Dvd. 2nd pfd.	......	32,900
Surplus for year	*72,189	29,860
Add:		
Profit pfd. red.	16,264	......
Capital profit	1,000	......
Balance	*54,925	......
Add prev. surp.	†87,865	†107,940
Less: Trans. to res.	30,000	50,000
Bal. forward	2,940	87,800

* Deficit. † Adjusted.

Working Capital

	1932	1931
Curr. assets	492,282	573,451
Curr. liabilities	190,787	151,067
Working cap.	301,495	422,384

Noteworthy among assets is a new item of $202,500 representing investments at cost. A special bank loan of $200,000 appears among liabilities. Accounts receivable are down $43,000 at $261,587 and inventories are down $28,000 at $218,792. About $27,000 was spent on new equipment last year bringing fixed assets up to $1,870,474, a figure which includes unspecified goodwill.

In liabilities current bank loans are shown at $100,000 as compared with nil in 1931. During the year there were redeemed $5,800 of 6½ per cent general mortgage bonds leaving $337,300 outstanding. Preferred shares totalling $54,000 were also redeemed, the first to be retired of an issue of $1,000,000. Reserve for depreciation and obsolescence now stands at $324,934 up from $265,223.

In his remarks to shareholders, Theophile Viau, president of the company, said in part:

"The year has been a very difficult one. The decline in earnings was due to the fact that a large proportion of the sales were in low priced lines with a thin margin of profit. Every effort was made to reduce costs in proportion.

"It should be noted that taxes paid during the year by your corporation totalled $61,585.10 which amount exceeded the net profits of the corporation for the same period."

Bond Redemptions

Bond Issues—	Rate	Due	Redeem.	Price
Can. West. Nat. gas	5%	1936	June 15	105
Amer. Salesbook	†6%	1930	Apr. 1	103½
No. Mex. Pwr.	7%	1933	Apr. 1	105

†Called in part.

Your Questions Answered Without Charge

As a subscriber to The Financial Post you are entitled to ask questions regarding any investment that you are interested in.

Address your enquiry to The Investment Department when sending in your subscription.

USE THIS COUPON

THE FINANCIAL POST,
153 University Ave.,
Toronto.

Please send me The Financial Post for the next year (52 issues). I enclose $5.00.

Name ....

Occupation ....

Address 299

SHERWIN PAINT DROPS PAYMENT ON SENIOR STOCK

Preferred Had Unbroken Dividend Record Since 1911

From Our Own Correspondent

MONTREAL—Sherwin-Williams Co. of Canada has deferred dividends due March 1, on its $3,460,000 of 7 per cent preferred stock. The shares are the company's senior security outstanding in the hands of the public and dividends have been maintained regularly since the stock was issued in 1911. Sherwin-Williams is one of the largest paint manufacturers in the Dominion.

Restricted constructional activity has worked hardship in the paint industry and sales of manufacturers have dropped sharply. Declines in raw materials have necessitated inventory write-offs while selling prices have been cut to a point where profit margins are small. Prices were raised slightly recently but are still far below levels for three years ago.

Dividends Not Earned

Earnings of Sherwin-Williams have not been sufficient to cover preferred dividend requirements in the past two fiscal years ended August 31. In 1931 preferred share earnings were $4.59, and last year there was a loss of $46,421 before dividends. Payments on the common stock, inaugurated in 1920 were maintained until March 1932. Surplus at profit and loss at the end of August 1932 totalled $3,720,986 compared with $4,592,856 at August 31, 1930.

Last balance sheet showed bank loans of $150,000 the first time bank borrowings had made their appearance in many years. Cash and marketable securities were lower.

Official Statement

Directors, in announcing dividend deferment, said:

"This action was taken by the directors after most careful consideration had been given to general business conditions throughout the country. The directors feel that in passing the dividend they have acted for the preservation of the shareholders' position and the interest of the company as a whole, so that its liquid condition may not be impaired, and so that its resources might be properly conserved."

WEST. GROCERS EARNS DIVIDEND ON PREFERRED

Purchase of Nash, Simington Co. Reduces Working Capital

Improvement in gross profit and reduction in operating expenses enabled Western Grocers Ltd. to earn $141,135 in 1932 as against $121,671 and, after provision for increased depreciation and taxes, net profit was $88,404 as compared with $78,203 in 1931. After paying preferred dividends at the usual rate of $7 per share, there is shown a profit of 28 cents per share on the 16,943 shares of common stock. In 1931 the company had a deficit of $5,398 after paying preferred dividends. A contingent reserve of $100,000 has been set up out of surplus.

Volume of business through the Red & White stores is satisfactory, but the company closed branches at Cranbrook, B. C., and Fort William, Ont. The stock of Nash-Simington Ltd., was acquired.

Working Capital Down

Current assets were increased by $47,101 to $2,080,480, due to larger inventories, carried at $1,013,691. Cash is down to $70,494 from $114,915 and accounts receivable to $940,198 from $982,526. In current liabilities is shown a bank loan of $976,500, which is practically the same as the company's investment in Nash-Simington Co. acquired during the year. Accounts payable and taxes are down to $384,062 from $433,552. Current liabilities total $1,382,097 as against $455,056 in 1931.

Working Capital

	1931 $	1931 $
Current assets	2,080,480	2,016,379
Current liabilities	1,382,097	455,056
Working capital	698,383	1,561,323
Ratio	1.55—1	4.43—1

Under assets the Nash-Simington shares appear at $969,878.

INCOME AND SURPLUS ACCOUNT, YEARS ENDED DEC. 31

	1932 $	1931 $
Net earnings†	141,135	121,671
Less: Deprec. on equip.	18,091	14,473
Deprec. on buildings	21,640	21,640
Res. for taxes	13,000	7,355
Net profit	88,404	78,203
Less appropriations:		
Preference divds.	83,601	83,601
Surplus for year	4,803	*5,398
Add: Previous surplus	372,909	378,307
Less: Conting. reserve	100,000	......
Bal. carried forward	277,712	372,909

† After deducting all operating expenses, interest paid on bank and mortgage loans, and making provision for bad and doubtful accounts.

* Deficit.

MONTREAL POWER BEAUHARNOIS PLAN MEETS APPROVAL

Committee Regard It More Favorably Than Others Put Forward

From Our Own Correspondent

MONTREAL.—Bondholders' Protective Committee has given approval to the proposal put forward by Montreal Light, Heat and Power Consold. for the reorganization of Beauharnois Power Corp. It is understood that some modifications have been made to the plan as outlined exclusively in The Financial Post two weeks ago.

One of the principal reasons for approving the Montreal Power proposal was that this was the only one of many plans put before the committee sponsored by interests strong enough to carry out the reorganization. Over $16,000,000 will be needed to complete the Beauharnois enterprise. The raising of this money constitutes one of the most pressing problems facing the company and the success of a bond flotation depends upon strong backing. In this connection Montreal Power's backing is regarded as sufficient to ensure the successful floating of the bond issue.

Opposition Plan Undisclosed

Toronto interests are currently reported to be in opposition to Montreal Power's plan on the basis that sufficient consideration is not given to the present debenture holders of Beauharnois Power Corp. They are reported to have prepared, or are working on a plan, for submission to the debenture holders. To date no details are available as to the counter-proposal. In the event of a secondary plan being formulated, expectations are that it will be made public about the same time as Montreal Power's plan is submitted to the debenture holders for approval.

For the time being Montreal Power's plan is the official plan of reorganization. Before it goes into effect, it will be necessary to secure the approval of several interested parties. In addition to the Beauharnois debenture holders, the Dominion government, Quebec government and the banks will have to pass upon the reorganization. The Dominion is interested both politically and financially; the Quebec government's stake in the enterprise is also political and financial, while the banks have made large advances to the corporation.

In discussing Montreal Power's offer, the Winnipeg Free Press takes the stand that the bond and debenture holders should divide the common between them in order that "the future may possibly recompense them for present loss of income and principal." In support of this suggestion, the Free Press states that the common shareholders have risked nothing in the suggested rehabilitation programme and that in any distribution of the common, all stock should go to the bondholders who have "taken all the risk."

CALGARY TRIES TO SETTLE CASE OUT OF COURT

Malden Trust Will Continue Suit for Payment in N. Y. Funds

Calgary's move to forestall legal action taken by Malden Trust Co. to secure payment in United States funds on bonds of the city which matured January 1, appears to have been useless except as it may aid the city in defending its case in the courts. By tendering United States gold coin to the amount of $5,185 the city was fulfilling only part of its obligation, and since the gold could not be shipped to the United States, it did not meet the requirements of the trust company.

Provision was made on the face of the bond that principal and interest should be payable "at the holder's option" in lawful money of Canada at the office of the Bank of Montreal in Calgary, Toronto or Montreal or in gold coin of the United States at the office of the Bank of Montreal in New York City. Calgary refused to redeem the bonds in New York funds which would have cost the city some $300,000 over the $2,135,000 principal amount maturing.

A large number of bondholders have refused to accept payment in Canadian funds and await the outcome of legal action to be taken by the Malden Trust Co. against the city. Notice of such action was given to the city on February 7. Since one month's notice is required, court action could not be taken until March 7. Al. Smith, K.C., representing the trust company, states such action will be taken. By offering United States gold coin the city has admitted its liability, but had this been accepted other bondholders would have had to institute individual actions in order to secure the same terms. If a judicial decision is given against the city it would facilitate subsequent actions which might be brought by other bondholders.

TIP TOP TAILORS CASH IS STRONG; EARNINGS POOR

Preferred Dividends Paid from Surplus — Misc. Income Up

Earnings of Tip Top Tailors Ltd. in 1932 reflect decreased purchasing power of consumers and increased competition from distress merchandise placed on the market during the year. As a result net earnings from operations are down to $33,268 from $229,748 shown for 1931. Other income increased to $62,427 from $33,240 but after provision for depreciation the company had a net loss of $29,671 and preferred dividends for the year were met out of surplus. Liquid position remains strong.

During 1932 the standard price of Tip Top suits was reduced from $24 to $22.50 and early in February, 1933, a further reduction to $19.50 was put into effect. Reduction in operating expenses has been effected and the number of stores operated reduced by five to 51. The agencies of the company, operating from coast to coast, are understood to have been strengthened.

Income and surplus accounts for 1932 and 1931 are as follows:

Income and Surplus Account, Years Ended

	Dec. 31, 1932 $	Jan. 2, 1931 $
Net earn. from oper.*	33,268	229,748
Less: Deprec.	125,366	147,865
Income tax reserve.	......	9,000
Net profits from oper.	†92,098	72,883
Add: Other income	62,427	33,240
Total net profit	†29,671	106,123
Less appropriations:		
Pref. dividends	93,509	94,637
Surplus for year	‡123,180	11,486
Add: Prev. surplus	1,082,241	1,115,572
Less: Res. agst. invest.	31,780	44,816
Written off§	21,629	......
Balance forward	905,652	1,082,242

*After charging all expenses of manufacturing, distribution and management.

†Loss. ‡Deficit.

§Sums provided for purchase of shares for benefit of employees.

While there is no change in the total of current assets liquid position is stronger with cash up to $198,976 from $87,338 and cash surrender value of life insurance up to $112,059 from $98,746. Investments are down to $92,667 from $115,073, $31,780 having been provided as reserve to bring values down to the market. Accounts and bills receivable are up to $139,047 from $121,505; accounts with employees and directors are slightly higher at $24,354 and inventories are down to $646,624 from $752,367. Bank loan of $120,250, shown in 1931, is replaced by notes payable of $113,125; accounts and bills payable are up to $84,718 from $31,860 while current liabilities include preferred dividend of $23,347 payable January 2 not shown in 1931.

Working capital position is as follows:

Working Capital

	1932 $	1931 $
Current assets	1,213,727	1,213,542
Current liabs.	223,189	161,109
Working capital	990,538	1,052,433
Ratio	5.43—1	7.53—1

Investment in subsidiary company shown at $137,500 in 1931 has been realized and as a result surplus was increased by $62,427. Mortgages receivable are shown at $15,250; deferred charges at $60,439. Fixed assets are carried at $1,743,760 after reserve for depreciation which now totals $466,047.

There is outstanding 13,341 shares of $100 par value preferred stock, 76 shares having been redeemed during 1932. Preferred dividends, paid in full during 1932, will depend in future upon business conditions.

J. H. Duplan Manager Silverwood's Dairies

J. H. Duplan, assistant general manager of Silverwood's Dairies Ltd. since 1929 has been appointed general manager of the company. A. E. Silverwood will remain as president and chairman of the board and will continue his special duties in connection with general policies and financial supervision.

Mr. Duplan has been with the Silverwood organization since 1922 when he entered it as an accountant. Later he became production manager, sales manager and assistant general manager.

Dominion Stores Sales Show 19 p.c. Decline

Sales of Dominion Stores Ltd. in the second four weeks period of the current fiscal year are reported at $1,501,638 as compared with sales of $1,857,574 in the corresponding period of 1932. This represents reduction in sales of over 19 per cent accounted for by lower prices, reduced fiscal volume of sales, and reduction of 44 in the number of stores operated during the year.

Sales for the eight weeks ended February 25, 1933, totalled $2,899,905. This is a reduction of $707,600 or 19.6 per cent from sales of $3,607,505 made in the corresponding period in 1932. ager. He has been president of the Ontario Milk Distributors' Association, the Canadian Ice Cream Manufacturers' Association, Canadian Creamerymen's Association and other organizations.

Loblaw Groceterias Sales, Profit, Decline

Sales of Loblaw Groceterias Co. showed some decline in the four weeks ended February 4 for which sales of $1,066,886 are reported as compared with $1,153,320 in the corresponding period of 1932. Sales for the 36 weeks ended January 4 were $9,772,259 as compared with $10,497,037 in the previous fiscal year, a reduction of 6.9 per cent.

Net profits for the 36 weeks ended February 4, 1933, were $598,016 as compared with $690,877 in the previous year. This is a reduction of 13.4 per cent. Net profits in the last four weeks period were $64,846, as against $91,502 in the same period 1932.

Summary of Week's Annual Reports

A brief analysis of company earnings per annual statements received since last week's issue. Company name in bold type indicates stocks listed in Canada or New York. Net income shown is before preferred dividend, if any. Market prices are at close on Tuesday this week or last sale.

Company	Year End	Net Income 1932 $	Net Income 1931 $	Common earnings 1932 $	Common earnings 1931 $	Curr. divid. $	Balance car. fwd. 1932 $	Balance car. fwd. 1931 $	Mkt.	Mkt. times earn.	Yield %
Canada Foundries	Dec. 31	*83,578	*69,828	...	...	...	257,439	342,107	4	...	...
Can. General Investment	Dec. 31	271,095	332,934	...	0.56	...	48,180	48,723	...	...	...
Hayes Wheel & Forgings	Dec. 31	*370,896	*207,609	...	...	...	47,976	581,372	⅛	...	...
Can. West. Natural Gas	Dec. 31	528,156	529,492	4.08	4.04	...	176,102	254,590	...	...	...
Moore Corp.	Dec. 31	298,097	567,950	...	0.70	...	353,466	442,210	5½	...	...
Tip Top Tailors	Dec. 31	*29,671	106,123	...	0.09	...	905,652	1,082,242	...	...	...
Easy Washing Machine	Dec. 31	*134,855	*224,654	...	...	...	†357,892	†216,269	...	...	...
Grey & Bruce Trust	Dec. 31	25,832	25,832	4.75	7.09	2	‡4,044	‡5,903	...	...	...
Sherbrooke Trust	Sept. 30	26,464	27,565	8.81	9.18	6	32,115	29,855	...	...	...
Conduits, Ltd.	Dec. 31	*29,990	§9,665	...	...	...	†2,536	27,454	...	...	...
Eastern Trust	Dec. 31	80,684	84,394	8.06	8.43	8	22,209	21,675	...	...	...
Intercolonial Coal	Dec. 31	30,428	15,011	1.40	...	2	405,586	406,783	...	...	...
Duke-Price Power	Dec. 31	591,880	573,784	2.81	2.73	...	2,390,627	1,944,092	...	...	...
Premier Gold Mining	Dec. 31	107,749	103,599	0.123	0.095	12c	......	......	7.3	...	16.4
Western Grocers	Dec. 31	88,404	78,203	...	...	...	4,803	†5,398	...	...	...
Pressed Metals	Dec. 31	*23,860	*45,803	...	...	...	†20,511	8,812	10	...	...
Investment Bond & Share	Dec. 31	*30,193	84,125	...	...	...	141,743	239,495	...	...	...
Cons. Oka Sand & Gravel	Dec. 31	*21,109	36,433	...	...	...	1,106	46,545	...	...	...
Noranda Mines	Dec. 31	3,600,809	2,374,041	1.61	1.06	60c	5,868,782	5,112,887	22½	14	...
Restigouche Co.	Dec. 31	*382,387	*526,511	...	...	...	■609,478	■669,805	...	...	...
Fraser Companies	Dec. 31	*2,316,422	*1,260,110	...	...	...	......	†5,467,374	.25	...	...
Canada Wire & Cable	Dec. 31	*276,683	282,149	...	...	...	72,946	597,590	...	...	...
Saguenay Electric	Dec. 31	*4,510	*17,380	...	...	...	†17,734	†15,114	...	...	...
Howe Sound	Dec. 31	*76,697	593,215	...	1.23	40c	12,352,123	13,136,712	...	...	...
Northern Can. Mining	Dec. 31	165	13,018	...	...	...	19,222	19,057	3.5	...	...

*Loss. †Deficit. §For 14 months. ‡Carried to contingent fund. ■Year's deficit.

Nash Heads Committee on York Twp. Finances

Finances of York Township which is adjacent to the City of Toronto will be placed under control of a committee composed of Major A. G. Nash, Comptroller C. M. Wrenshall, and Reeve Alfred Gray. Major Nash, member of the firm of Clarkson, Gordon, Dillworth, Guilfoyle & Nash, chartered accountants, was appointed at the suggestion of the township's bankers, and the committee will scrutinize expenditures of the township monthly to make sure that the budget is kept in balance.

Less than 60 per cent of the township's taxes were collected in 1932 and more than 20,000 people in the township are on relief. As a result, drastic action is needed and it is proposed to take further steps in order to reduce expenditures. Refunding of the township's debenture debt of $18,000,000 over a longer period to effect an annual saving of $500,000 is suggested and school expenditures are being cut. Default by the township of East York has affected York Township finances in some degree. Amounts totalling over $110,000 are due York Township from the Township of East York, during 1933.

MacIntyre Opens Office

From Our Own Correspondent

MONTREAL. — Alexander MacIntyre has established a mining brokerage house in Montreal under his own name.

INVESTMENT BOND TRANSFERS LOANS BACK TO CANADA

Return of Borrowings from N. Y. Costs $65,690

From Our Own Correspondent

MONTREAL.—Gross income of Investment Bond and Share Corp. in 1932 totalled $135,151 compared with $324,853 in the previous year. Expenditures, including debenture and bank interest and foreign exchange of $67,609, resulted in a deficit of $97,752 for the year against a profit of $84,125 reported in 1931. Net exchange costs included $65,690 incurred in transferring bank loan from New York to Canada.

Balance sheet shows securities at cost, less discount on purchase of the company's debentures redeemed and investment reserve, at $5,020,299 compared with $5,321,807 at the end of 1931. It is stated that securities at the end of last year showed a depreciation from book value of $3,682,014. Losses in sales of investments were charged to investment reserve, which, together with profit on debentures redeemed, totalled $431,477 at the end of 1932.

During the year an additional $165,500 of 5 per cent debentures were purchased and cancelled leaving $2,321,000 outstanding of an original issue of $4,000,000. Bank loans total $570,000 down from $644,000.

Profit and Loss

Following is a comparison of profit and loss for the past two years:

	1932 $	1931 $
Gross income	135,151	324,853
Less:		
Gen. expense	7,726	10,263
Loan interest	33,292	26,108
Deb. interest	124,325	200,000
Income tax	......	3,182
Foreign inc. tax	......	369
U. S. exch. prem.	......	806
Net profit	*30,192	84,125
Add prev. surp.	†239,544	155,370
Less: Loss on exch.	67,609	......
Bal. forward	141,743	239,495

* Deficit. † Adjusted.

A full list of investments held is included in the 1932 report. It shows investments were divided as follows (1931 analysis in brackets): Bonds, 34.76 per cent (33.67); preferred stocks, 26.87 per cent (34.67); common stocks 38.26 per cent (30.96) cash, etc., 11 per cent (.70).

NEW YORK LIFE INSURANCE COMPANY

51 MADISON AVENUE, NEW YORK, N. Y.
A MUTUAL ORGANIZATION, FOUNDED IN 1845
INCORPORATED UNDER THE LAWS OF THE STATE OF NEW YORK

88TH ANNUAL STATEMENT DECEMBER 31, 1932

To the Policy-holders and the Public:—

During the year 1932 the New York Life Insurance Company paid to its living policy-holders and to the beneficiaries of those who died, the sum of

$255,200,187.69

It met every obligation from its current cash income, made new investments during the year amounting to

$46,623,111.32

and closed the year with a larger amount of cash in bank than at any other year-end in its history.

The assets of the Company amount to

$1,974,076,041.43

The total liabilities of the Company amount to

$1,860,106,133.54

included in which are policy reserves calculated upon the most conservative basis used by Life Insurance companies; a provisional apportionment of **$52,059,288** for 1933 dividends to policy-holders, and a special reserve, not required by law, of **$36,630,709.74.**

Its unassigned funds (surplus) over all liabilities amount to

$113,969,907.89

New paid for insurance effected during 1932 amounts to over

$521,000,000

At the close of 1932 the Company had outstanding insurance in force of over

$7,300,000,000

The total income of the Company during the year was

$407,235,904.31

The following table shows the assets of the Company under various headings and the percentage of each to the total:

Description of Investment	Asset Value	Per Cent to Total Assets
Cash on Hand or in Bank	$27,697,604.76	1.40
United States Government Bonds	56,009,519.74	2.84
State, County and Municipal Bonds	129,486,343.11	6.56
Public Utility Bonds	147,550,734.61	7.47
Industrial Bonds	19,187,336.03	.97
Railroad Bonds	376,878,012.42	19.09
Canadian Bonds (Dominion, Province, City, etc.)	38,847,205.78	1.97
United Kingdom of Great Britain & Ireland Bonds	4,987,377.90	.25
Other Foreign Bonds	2,359,029.10	.12
Preferred and Guaranteed Stocks	80,883,896.00	4.10
Real Estate Owned (Including Home Office)	48,146,598.73	2.44
First Mortgages on City Properties	529,478,296.81	26.82
First Mortgages on Farms	22,451,275.96	1.14
Policy Loans	419,798,911.98	21.27
Interest and Rents Due and Accrued	36,168,670.83	1.83
Other Assets	34,145,227.67	1.73
Total	$1,974,076,041.43	100.00

(In this statement, bonds not subject to amortization and all Preferred and Guaranteed stocks are valued on basis prescribed by the National Convention of Insurance Commissioners)

Thomas A. Buckner
President

The Company has done business in Canada continuously since 1868. It maintains offices in Quebec, Montreal, Toronto, Winnipeg and Vancouver and is represented by its Agents throughout the Dominion.

Investments in Canada December 31, 1932... $61,028,744.41

THE FINANCIAL POST

Member Audit Bureau of Circulations
President—JOHN BAYNE MACLEAN
Vice-President—HORACE T. HUNTER
Editor—FLOYD S. CHALMERS
Business Manager—D. M. GOWDY

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

The detailed circulation statement we submit is the sworn finding of the Audit Bureau of Circulations, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A.B.C. inspection.

ADVERTISING RATES
Single Insertion—$3.65 per inch.
Debenture and Dividend Notices—26c. per agate line.
Contract rates upon request.

SUBSCRIPTION PRICE
Canada, United States, Mexico, British Empire, $5.00 per year; all other countries, $6.00.

Published by
THE MACLEAN PUBLISHING CO., LIMITED
143 University Ave., Toronto 2
MONTREAL, Southam Building, Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor. GT. BRITAIN, London, The MacLean Co. of Great Britain, Ltd., 2, 3 and 4 Cockspur St., London, S.W. 1, E. J. Dodd, Director, Telegraphic address, Atabek, Lesquare, London.

THE FINANCIAL POST BUSINESS YEAR BOOK. Yearly, $2.
THE FINANCIAL POST SURVEY OF CORPORATE SECURITIES. Yearly, $2.
THE FINANCIAL POST SURVEY OF MINES. Yearly, $2.
THE FINANCIAL POST RECORD OF PROSPECTUSES. Half yearly, $7 per volume.
THE FINANCIAL POST CORPORATION SERVICE. $20 monthly. Special prices for selected part service.
DIRECTORY OF CANADIAN DIRECTORS AND OFFICIALS. Yearly, $10.

TORONTO, MARCH 11, 1933

THE NEW DEAL

THOSE who understand the character of Herbert Hoover will appreciate that his stubborn ambition will not permit him quietly to give up public life without an opportunity to redeem his reputation as a great planner of public policy. He will fight to retain control of his party until 1936 when he will hope to come back to the presidency. Mr. Hoover is the type of engineer who could plan a great flood control development, for example, but who would not know how to meet a spring thaw emergency. He never caught up with the depression and has given way to a more nimble strategist.

Mr. Roosevelt could not have planned his entry in a better setting. With the banks of the nation closed, with the stock exchanges silent, he took his oath of office in the midst of economic desolation, and at the darkest moment in United States financial history.

Hundreds of forecasts and interpretations of Roosevelt ideals and policies have been showered on the American people in the last month. They all boil down to the succinct phrase "a new deal."

Back in Mr. Roosevelt's mind a new deal involves a restatement of public policy in regard to many matters relating to the social and economic life of the nation. But of immediate importance is the significance of the new deal as it applies to the present crisis in trade and finance. And here there is evidence that what Mr. Roosevelt has in mind is to give up futile attempts to avoid the consequences of deflation and to face the task of recovery with a sense of realities.

This may mean radically different policies at Washington.

In banking it means less reliance upon government loans to supplant frozen assets and the adoption of the more business-like alternative of dividing the country's banking assets into two parts, the liquid and the frozen, allowing a new and greatly reduced banking system to operate on the country's liquid banking resources and treating the frozen assets as a liquidator treats the frozen assets of a bankrupt concern. Depositors will write down their accounts to a realistic one-quarter or one-third in most cases plus intangible hopes of future recovery of the balance or part of it.

In trade the new deal means again a cessation of attempts to bolster up a one-way tariff structure and a new tariff policy to meet the present situation.

In such matters as the war debts a new approach will also call for radical revision of expectations and hopes.

Mr. Roosevelt is in the position of the man who takes over a bankrupt concern after all of the previous directors have been thrown out of office. It is to his advantage to write down all doubtful assets and discard all unsuccessful policies. He has nothing to defend because none of the policies were of his making. He can start afresh and rebuild.

He has a chastened nation to deal with; people who are ready for drastic action and a stern facing of facts.

He is the key man in world prosperity today. No one has greater power to influence world recovery. And a great part of that strength comes from the fact that he took command when things looked darkest.

SCRIP MONEY ILLEGAL IN CANADA

SCRIP money has been used in two or three places in Canada although it is illegal. There are other schemes which border on the idea of "scrip." One such scheme involves acceptance by a central association of cash tickets from producer members, the tickets representing payment by dairies, elevator companies, etc., for produce. In exchange the producer is to get a bond from the association for twice the amount of his cash tickets. On issue of a one dollar bond, the association would, therefore, get 50 cents in cash at the outset.

In order to spend the bond, the producer must affix to it four cents per dollar in turnover stamps of the association. Other members are supposed to take the bond in payment for goods at their usual prices. Each recipient of the bond can only realize on it by affixing four cents in turnover stamps, and spending it with a member, because others would probably not accept it.

When a one dollar "bond" has gone through fourteen hands, and has 56 cents in the association's turnover stamps affixed to it, the association is supposed to pay one dollar in cash for it. Thus the association would have received 50 cents in cash at the outset, plus 56 cents for its stamps, a total of $1.06. In return for this, the association would pay $1, "leaving six cents" for "reserve and operation."

The scheme has not been tried in operation yet, but some success in enrolling members is reported. The plan is the equivalent of taxing fourteen members of the association four per cent on their sales through this medium, in order to double the receipts of the producer and pay six cents per dollar on "bonds" into the association "for reserve and operation."

Section 138, subsection 1, of the Bank Act reads:

> "Every person, except a bank, to which this act applies, who issues or reissues, makes, draws or endorses any bill, bond, note, cheque or other instrument intended to circulate as money, or to be used as a substitute for money, for any amount whatsoever, shall incur a penalty of four hundred dollars."

The value of such scrip money schemes is open to question. The value of some central control of money in Canada is not. Hence the necessity of this clause in the Bank Act. So far no action has been taken to stop what little use has been made of scrip in this country, but if its use is attempted on a large scale the banks or the Government may stop it. In the scheme quoted the courts might rule that the bond is not passing as money and is therefore legal. But it is doubtful whether sufficient public confidence could be engendered in such "bonds" to bring them into general use without which the scheme would have little value.

DEPRESSION CHANGES FARM HABITS

SOME indication of what the depression has done to farming and transportation habits in rural Canada is indicated in figures recently published concerning gasoline consumption in 1931.

For the whole of Canada the consumption of gasoline on which provincial taxes were paid amounted in 1931 to 461,000,000 gallons — a decline of only 3.8 per cent from the corresponding figure of 1930. The amount used on farms by stationary engines, tractors and so forth on which tax was refunded, amounted to but 94,000,000 gallons —a decline of 38 per cent from the corresponding figure of the previous year.

The same story is indicated by a study of similar figures for Saskatchewan. In 1931 sales of gasoline on which a tax was paid declined about 15 per cent for the year, or approximately at the same rate as the falling off in provincial registration of automobiles. Sales to farmers on which the tax was refunded were cut virtually in half however and dropped from about 45,400,000 gallons in 1930 to 23,000,000 gallons in 1931.

From the viewpoint of provincial revenues this has had one beneficial effect as for instance in Saskatchewan where formerly over 50 per cent of the gasoline tax revenue was refunded, this ratio has now dropped to just over 40 per cent. On the other hand it points very clearly to the declining use of tractor and other gasoline-powered machinery which has been forced on the farmer in many cases through sheer inability to purchase gasoline and other items necessary to operate this machinery. Just what the trend will be once depression clouds lift is a question of primary concern to many industries which found this a profitable field for their wares prior to 1930.

"FOUL SUSPICION" OF CANADIAN MONETARY POLICY

AN ARTICLE by "Candidus" in the Investors' Chronicle and Money Market Review of London, England, states: "The exchange value of a currency is as sensitive to foul suspicion as the reputation of any woman." The writer continues with an examination of exchange influence operating on Canadian dollars, some of which have been misinterpreted.

Quotations from the article indicate the extent to which errors in assumptions may lead to false conclusions. Some of the statements made are:

> "Since the departure of Great Britain from gold, she (Canada) has resorted to artificial control of her exchange, allowing a slight discount in terms of the American dollar."
>
> "For a long time there has been talk of inflation . . . Lately the movement has spread to the eastern provinces, and the United Farmers of Ontario have unanimously adopted an inflation programme."
>
> "A new Farmer-Labor party has now sprung up . . . These crude inflationists, calling themselves the Co-operative Commonwealth Federation, have their spokeswoman in Miss Agnes Macphail, M.P."
>
> "Mr. Bennett has bluntly declared that if the Canadian dollar declined to parity with sterling the country could not sustain the burden of its gold debt—held in America. The fact that the city of Calgary has already defaulted on a January maturity in New York—on the ground that it cannot afford to pay the premium on gold gives to Mr. Bennett's warning the color almost of a threat."
>
> "It is well known that the Government is not averse to an occasional dose of inflation, for in November, it borrowed $35 millions from the Canadian banks inducing them to exchange currency against the treasury bills which were issued."
>
> "The fate of the Canadian dollar is in the lap of the gods, which means, in this case, the lap of the Canadian capitalists. If the Canadians themselves take fright, and are allowed to export their liquid capital, they may force the dollar into parity with sterling. . . . Even if the export of capital is effectively prevented, the Government may be persuaded into allowing the exchange to find its own level. If this should happen, all Canadian bonds which are payable in Canadian dollars only will suffer a fall in sterling market values, while those bonds which are payable in American gold dollars remain good if they are Dominion Government obligations, but are not above suspicion if they are provincial, municipal or corporation bonds. Indeed, if the Canadian dollar depreciated further there would be some defaults on these classes of bonds (sterling bonds always excepted)."

The fact is, of course, that Canada is one of the few nations of the world that has not been attempting some form of exchange control through purchases and sales of currencies. The Canadian dollar has been allowed to seek its own exchange level. The only form of control practised in Canada is the largely psychological timing of gold shipments by the government. The gold would, however, be shipped out of the country by the miners in any event.

As "Candidus" has pointed out, a further extended drop in Canadian dollars would make it difficult for some Canadian debtor governments to meet their obligations. This is one of the chief reasons for the Dominion government's strong opposition to any currency depreciation measures.

The overemphasis of the importance of the U. F. O. policy, the serious consideration of Miss Macphail's utterances, the suggestion of a threat in Mr. Bennett's explanation are notable errors in the article. However, they merely indicate how misunderstood policies, and misinterpretation of political tendencies in Canada may cast "foul suspicion" on our currency and our national credit.

BRITISH AMERICA CENTENARY

THIS year the oldest existing financial institution with head office in Ontario celebrates its one hundredth birthday.

It is the British America Assurance Co. of Toronto, which was incorporated in February, 1833, and commenced business two years later. Its original name was the British America Fire and Life Assurance Co. and the 52 citizens who signed its papers of incorporation included the leading political, judicial, commercial and social leaders of the then muddy village of York.

A glimpse of conditions under which the company's business was conducted in its early days is afforded by one of the company's by-laws which required directors of the company to attend every fire occurring in their respective districts and to use their influence with the fire fighters to see that streams of water were directed upon the properties insured with the company. Another by-law required three directors to sit daily in the company's office at 10 o'clock in the morning for the purpose of passing on each individual application received, and signing the policies.

Today this company and its running mate, the Western Assurance Co., transact practically every class of insurance except life and their operations extend to almost every part of the civilized world. Assets approach the $5,000,000 mark while fire insurance alone on the company's books is well over $500,000,000. An indication of the extent of its operations is seen in the fact that its present president and managing director, E. A. Brownell, who came to Toronto to assume these responsibilities a year ago, is a native-born New Zealander who entered the company's service in Australia some thirty years ago. He is presently on an inspection trip of the company's office and branches throughout the world and to visit them he will have to travel over 26,000 miles.

British America Assurance Co. is to be congratulated on its century of service and progress in the fire insurance field in Canada. Its record has been such to inspire policyholders with confidence as the company looks forward to its second centennial milestone.

SAVE THE MILLION

SAVE this million dollars," urges the Toronto Globe, which thinks "the entire radio nationalization scheme might wisely be suspended."

The argument, heard in other quarters, that the national radio commission will cost the taxpayers nothing since the commission will spend merely the radio listeners' money received from lisense fees, overlooks the fact that radio listeners did not ask for an increase in their license fee to $2. The vast majority of them were satisfied with what they were getting. In recent radio popularity contests the "also rans" have been programmes similar to what the radio commission plans to sponsor. Private commercial programmes have held the lead in all such tests of public opinion. Rather than have a million dollars worth of national radio, most listeners would prefer to have their license fee back to a dollar.

In any event it would be better business to consider the extra dollar on the license fee as a tax and apply the million dollars on balancing the budget.

QUERY AND REPLY

WE ARE asked a question by the Souris Plaindealer:

> "The Financial Post (Toronto) says the Hudson Bay route is being bonused to the extent of free storage and elevator service at Churchill. Does The Post forget that the Great Lakes route has been bonused by free canal service ever since the year one?

The answer is "No." But as we have said many times our canals should pay their way. There should be no free canal service for the few at the general expense of the country at large.

For four months the United States really had no responsible president. And now it has a virtual dictator.

POST-scripts

SOMETHING has happened to the British film industry. For a long time British producers were content to take advantage of the quota law at home and produce pictures just good enough to get by and that meant that they were not half as good as the ordinary "programme pictures" on this side of the line. With such uninteresting productions even the pious resolutions of women's societies in Canada failed to get them showing on Canadian screens.

About three years ago British film makers began to wake up. They began to produce pictures of prime merit. Today the British film industry is giving Hollywood a run for the money. In Canada the British picture is regarded by discerning and superficial fans alike as something other than a novelty; something that can be accepted on its merit or rejected for its lack of merit.

So many good British pictures have come out that one hesitates to say which one has marked the peak of originality and interest. But if one were forced to answer one might honestly say that it is "Rome Express," a British Gaumont production shortly to be shown in Canadian cinema houses.

Here you have plot, suspense, character, photography and setting all rolled into one. The American critics are giving it grudging praise, panning it mildly for copying the Shanghai Express and Grand Hotel formula, which is a ridiculous comment. If it copies any formula it is that of a famous story of Arnold Bennett which related an adventure in crime on the Paris to Rome Express, just as this story does, and did it years before Grand Hotel or Shanghai Express were thought of.

In any event, in Rome Express you have a cleverly assorted group of British, continental and American characters on a train racing madly across France, Switzerland and Italy. They include the urbanely diabolical Conrad Veidt as the master crook; the blondely sex-appealing Esther Ralston as the American movie star, that prince of character, Gordon Harker, as the bumptiously boring British tourist; the Dreyfus-famous Cecil Hardwicke in a new and less sympathetic rôle of the dollar-conscious multi-millionaire. Other rôles are well filled with capable British stars.

Against the incessant, almost nerve-wracking rhythm of the racing train several little dramas intertwined into one major story are played out.

Cleverest feature of the whole show is the fact that the French station and train employees, the Swiss customs officers, the Italian policemen and the other continental characters all speak in their own language when they are talking to each other and in very broken English when they speak to the Englishmen abroad the train. Thus without losing the thread of the plot the movie goer is projected across three thousand miles of ocean and lives for an hour and a half in another world.

Regal Films, who have pioneered the British film in Canada, brought this one out.

THE ingenuous manner in which these scrip schemes are presented is most intriguing. There are many modifications of the plan but here is one that is proposed in the West that is typical of most of them.

The government gives huge contracts for public works and pays the contractors in new phony money which it has printed, which has no security behind it and which it will not redeem until the people have plastered it with enough stamps to give the government the money for the purpose. The contractors use the phony money to pay their wages and to buy materials. First of all they have to put a two-cent stamp —there is no reason why a postage stamp wouldn't do—on each dollar bill. The material suppliers and workers would spend the money, again putting a two cent stamp on each dollar bill. Each person who received the new currency would have to put a two-cent stamp on it before he could pass it on. After there were 50 stamps on the bill it could be presented by the last holder to the government which redeem it at one dollar in real money. But this paper dollar would have financed $50 worth of transactions, no one would have lost more than two per cent of his profit or income on his share of the transactions and the government would have $1 of public works paid for without cost to itself since it would have received in stamp income enough to redeem the bill.

Clever isn't it? Nothing to it. But where's the catch. There are several.

In the first place the same effect would be accomplished if the government put a two per cent turnover tax on all sales of merchandise or service and spent the proceeds on public works. And what a howl there would be if a government started anything like that.

In the second place any merchant or worker who is asked to take a 98 cent dollar for what he could sell for $1 in real money is going to write his prices up to $1.02 to cover his potential loss on handling the rubber currency.

In the third place, the proposal offered in most scrip schemes that the currency shall lose its entire value if any holder does not spend it within one week means that no one will accept the money who has not bills to meet within a week and who has not arranged with the person to whom he owes the money or from whom he intends to make a purchase to take the paper currency in place of fully negotiable currency. Obviously no one will accept the money who is not certain he can pass it on at once—which probably means that only one-tenth of one per cent of the population would accept the money except at a great discount and as a speculation.

In the fourth place it would be exceedingly difficult to transfer large sums of the new money. How, for instance, would a contractor buying $100,000 worth of bricks from a brickmaker 500 miles away ship the money. It would have to be shipped by express and this would mean that the use of cheques and drafts would be replaced by the use of currency. The inflationists who propose the plan probably do not realize that 95 per cent of the business done in this country is financed by cheque and that the use of cheques represents a vastly greater inflation than they have in mind. Their scheme would ultimately prove to be deflationary rather than the opposite.

And in the fifth place the whole proposition rests upon the false premise that there is a shortage of paper money in the country. The banks and the government at Ottawa could put into circulation millions of dollars of currency they have already printed if there were any need for it. But it isn't going into circulation because there is not a sufficient volume or velocity of business to require it. General confidence will restore trade. No evidence is provided that phony money will restore confidence. It is more likely to work the other way.

Of course the adoption of scrip schemes in the United States and cities across the line that are without sufficient currency is another matter.

What Caused the Crisis

By DR. NICHOLAS MURRAY BUTLER
Letter to United States Senate

The present economic and financial crisis is in no true sense national; it is international and world-wide both in its causes and in its effects. In any given nation—the United States, for instance—the world-wide causes and effects are modified and either lessened or exaggerated by national happenings and developments of recent years. Fundamentally, however, the causes and effects are the same throughout the world.

A. The colossal destruction in and by the World War of the world's saved-up capital accumulated through more than two hundred years;

B. The destruction likewise of the whole system of international trade and commerce, including the carrying trade, which had grown up naturally since the end of the Napoleonic Wars;

C. The artificial stimulus given by the World War to production of every kind and the enormous increase of capitalization attendant thereon, in order that whatever supplies were necessary for the conduct of the war might be provided in the speediest possible fashion, wholly regardless of cost. This was accompanied and followed, particularly in the United States, by nation-wide, reckless and carefully stimulated speculation.

D. The effects, concurrently with the foregoing, of the rapidly developing system of mass production not only in industry but also in agriculture, leading to the displacement of hand labor and to readjustments and reorganizations of agriculture, industry and transportation which have not yet been undertaken because the necessity for them is not yet clearly understood;

E. The strain imposed upon the whole machinery of international credit and exchange, with the result that the supply of monetary gold has been accumulated at a few centres, leaving available for general international exchange an inadequate supply of this metal;

F. The almost unbelievable increase in the cost of government everywhere, attended by constant and inconsiderate borrowing, which is involving huge increase in taxation at a time when agriculture and industry are least able to bear such increase, and which is everywhere straining public credit to the breaking point.

G. And, finally, resulting from the operation of all these causes and forces, a destruction of public confidence not only in our economic and financial system but even in the fundamental principles of democratic government, which is unprecedented in modern times and is leading in more countries than one to changes in the economic, social and political systems which, whether violent or not, are revolutionary in fact.

As Others See Us

Gloomy Prophecies of the Past

Edmonton Journal: How economic history repeats itself is given striking illustration by a series which The Financial Post has been publishing. It consists of pronouncements, scattered over the centuries, by those who could see nothing but gloom ahead and it is astonishing how closely the language often approximates to that of our own extreme pessimists.

The fact that prophecies of woe have been falsified by the course of events does not mean that conditions then were anything like perfect. After each depression improvements in the economic machinery were effected and this in all likelihood will happen again. But at the same time the forces of recovery will once more reassert themselves and the pessimists will marvel that they were so shortsighted.

Canada And Newfoundland

Glace Bay Gazette.—The Financial Post deprecates the idea of bringing Newfoundland into confederation, which seems rather a courageous thing for a Canadian paper to do. It is supposed to be a popular idea in Canada, the great difficulty in the way being, it has always been thought, to persuade Newfoundlanders to become Canadians. Time was in Newfoundland when it was considered a sort of treason to mention confederation, and any politician who was suspected of harboring the notion was doomed. But this anti-confederation feeling has subsided of late years, due to the economic and political difficulties of the island dominion.

The Financial Post admits that as regards race, religion, language and political machinery there is a close affinity between Newfoundland and Canada. The main objection to union is economic, and The Financial Post fears that if union were brought about it would be only to add another Maritime problem to the dominion, or perhaps rather to intensify the existing Maritime problem.

Wolfville Arcadian.—The Financial Post in a review of present conditions in Canada makes the somewhat startling announcement that this country is piling up a deficit at the rate of three hundred dollars per minute. Meanwhile the grossest kind of extravagance is maintained in governmental methods with no likelihood of a change of any importance being made. True there have been some cuts in salaries and a few positions carrying insignificant pay have been done away with. It would be exceedingly interesting to know just how much might be saved along this line if those in authortiy were required to conduct public affairs with the same frugal hand that the individual is obliged by necessity to use in these times of economic stress.

Parliament is now in session and in a few weeks our own legislature at Halifax will be in solemn conclave. Does anyone imagine that all the talk that takes time and means money is necessary or worth while as these functions proceed? This is doubtless only one of many ways in which the revenue of the country might be conserved if a real effort at economy were undertaken. It is just as much the duty of our legislators to live within their means as it is for the people so to do. They should be setting a good example instead of a bad one.

Other Peoples' Views

Double Taxation

Edmonton Journal: The minister of finance will do well to consider the injustice from which the recipients of dividends on Canadian stocks have been suffering. They have at present to pay a double levy, taxation being imposed first on the company and then on the individual shareholders. There is no excuse for such treatment and if there is one class of investor who should not be penalized, it is the person who has taken the risk of putting his money into business enterprises within the Dominion. The need of encouraging investments of this character is not open to question. On them the prosperity of the country largely rests.

$100,000,000 a Year

Halifax Herald.—Rt. Hon. Arthur Meighen put the Canadian National Railways situation into plain words last week when he said:

> "Whatever may be the history, whatever may be the errors—and I know it is possible to exaggerate errors—the fact is there has been a running into debt, a carefree extension of liabilities here, there and everywhere, of all sorts and sizes, and, whoever may be responsible, this has brought us to the position where we find ourselves $912,000,000 more in debt after just nine years, with all the fixed charges on that debt heaped upon our backs; and we find ourselves in that position at a time of world depression when the burden is heavier than it otherwise would be, and when the means of extrication are less clear."

Which means that in those nine years the public railway debt of this country was added to at the rate of more than one hundred million dollars a year! And no comment could add weight to the stupendous fact itself.

New Books

"Stephen Leacock's Plan"

The Financial Post has already published a brief summary, in his own words, of Prof. Stephen Leacock's plan to relieve the depression in six days, to remove it in six months and eradicate it in six years. The humorist-economist has put out the plan in the form of a small 18-page booklet written in language so simple that the average man can understand it. There being little exposition of the plan itself, little discussion of the pro's and con's of it the average person who buys the book, if he is unable to bring his own economic criticism to bear on it, will either have to accept it in tota as the product of the mind workings of a great economist or reject it summarily as the pleasantries of a great humorist.

Briefly, Prof. Leacock would alter the gold content of our dollar to raise prices in Canada. There are many theoretical and practical objections to his plan but there is one question that does not seem to have been touched on either in his own exposition of the Leacock plan for a New Start Dollar or in other criticisms that have come to our attention. Changing the gold content of our dollar might have some immediate effect if we were on the gold standard but actually we are not and the holder of Canadian currency cannot get gold for it anyway. As the price of our dollar in terms of other gold currencies, such as the United States dollar and the French franc, indicates we have in effect adopted his plan, yet the depression is not over in Canada. The Canadian dollar will not buy 23 grains of gold anywhere in the world today. It will buy a little more than the 17 grains Prof. Leacock suggests.

What might happen if the United States adopted the 17-grain New Start Dollar is another matter but one wonders, if they are going to monkey with their dollar to restore prosperity, it would not be better for them to adopt a managed currency or an elastic dollar instead of tying themselves up forever to a 17-grain dollar just as they are now indefinitely committed to a 23-grain dollar.

The pamphlet is published by the Macmillan Company of Canada at 25 cents.

Continued Service

A recommendation of a security to a new client is our first step in a service that will suggest a permanent business relationship.

Our 40 years of investment experience is available without obligation.

Address our nearest office.

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Vancouver Victoria New York London, Eng.

CANADA . . .

Canadian Government Bonds are safe, readily saleable and pay a rate of interest better than average. Write for our offerings of Dominion of Canada and Provincial Government bonds.

McLEOD, YOUNG, WEIR & CO.
LIMITED
Metropolitan Building, Toronto
Montreal Ottawa London Hamilton

AN ALL-CANADIAN INSTITUTION

1866 1933

As far back as 1871 this Company engraved cheque forms for the Exploratory Surveys of the Canadian Pacific Railway, the beginning of a business relationship which has continued to the present day.

In the Beginnings of Canadian Prosperity

TO the first early prosperity of a united Canada this Company has made its important contribution, then as now providing Canadian Governments, transportation services and industries with quality engraving in the production of bonds, stock certificates, bank notes and other monetary documents.

British American Bank Note
Company Limited
1112 Bank of Hamilton Bldg. TORONTO
HEAD OFFICE OTTAWA
511 Place d'Armes MONTREAL

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
61 Years in Business
Capital $2,000,000—Reserve Fund $3,200,000.
Make Mortgage Loans on Owners' Homes at reasonable rates of interest.
ARCHIBALD McPHERSON, President. T. H. MAIN, Manager.

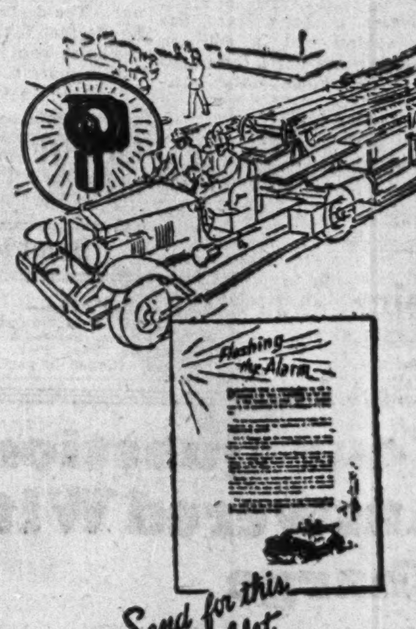
IS YOUR BUSINESS SAFE from the FIRE HAZARD?

The installation of a Dominion Protective System in your building, connected with our Central Station, makes possible the detection of the fire in its *early stages.*

The alarm to our Central Station calls out the fire brigade promptly and dispatches officers to look after the property owner's interests.

Where D.E.P. Fire Alarm Systems are employed, business establishments receive 99.96% immunity from fire. The transmission of fire alarms from protected properties to the fire headquarters through our Central Station is practically instantaneous.

The lowest fire insurance rates are granted where a Dominion Electric Protective System is installed.



Other Dominion Protective Systems include: Electric Burglar Alarm Systems, Night Watch Patrol, Sprinkler Supervisory Systems.

Where Central Station Service is not available we are prepared to install Local Systems connected to the Fire or the Police Department.

DOMINION ELECTRIC PROTECTION COMPANY
Central Stations located at
TORONTO HAMILTON MONTREAL LONDON QUEBEC WINNIPEG OTTAWA

DOMINION PROTECTIVE SYSTEMS

The Week in Business

Sterling Valuation Under Fire

WHILE the current jump in the value of sterling in terms of Canadian dollars, one cause of the United States banking crisis, reduces the amount of duty payable under the dumping duty clause and makes the spread between current quotations and the gold value of $4.86, which is charged for duty purposes, appear less formidable, the need for adjustment of these two discriminating values is still present. In fact it brings the unfair treatment of the British manufacturer more forcibly before the public.

As pointed out in The Financial Post last week, wholesale prices in Canada and Great Britain have so far adjusted themselves to the level of 1930, when both countries were on the gold standard, that the need for this dumping duty and valuation at the gold value of $4.86 has been eliminated.

* * *

Question Raised At Ottawa

THE whole question was aired in the House of Commons this week when Hon. W. D. Euler quoted from The Financial Post and asked the Government to give consideration to some adjustment of valuation. The Minister of National Revenue stated that owing to disturbed conditions of exchange quotations it would be unwise for any alterations to be made at present. No argument against the statement that values in the two countries had been adjusted to 1930 levels was advanced. The unfair condition remains, apparently with the Government's knowledge that it exists.

One further argument for the elimination of these descriminating valuations was used by a importer in conversation with a representative of The Financial Post. "Germany, France, Italy and other European countries inflated their currencies and then fixed the valuation in terms of gold at from one fifth to a millionth of the original value," he pointed out. "These currencies are valued for duty purposes at their new pars, but because Great Britain has not considered it advisable to fix a new value for sterling, goods coming from that country are handicapped by being rated for duty purposes at a rate which has been obsolete for 18 months, or since Britain left the gold standard."

* * *

U. S. Crisis May Help World Trade

PROBABLY the most important result of the United States banking crisis will be to bring to a head the important restrictions and control of currencies which is doing more than anything else to stagnate world trade. The extent of these barriers to trade can be gauged when it is pointed out that only seven countries have no exchange or import restrictions in their trading with the United Kingdom and of these, five are in the British Empire. In only one of these countries is the gold standard effective.

Thirty world countries now have frozen credits and their payments to Great Britain are suspended or restricted. The eight countries actually on the gold standard have all exchange or import permits and/or quotas as effective barriers to trade.

* * *

Coal Loadings Show Sharp Decline

LITTLE of an encouraging nature can be seen in the carloading figures for the week ended Feb. 25. The weakness from the previous week was mainly in the eastern division where total loadings decreased from 22,695 cars to 21,013 cars. Coal and coke dropped by 765 and 416 cars respectively, merchandise was lighter by 375 cars and miscellaneous freight by 226 cars. In the western division the only reduction was in coal which declined by 1,681 cars. This was balanced by increase in grain by 1,204 cars in forest products by 178 cars and in merchandise by 110 cars.

January figures for automobiles financed show that only 844 new cars and trucks for a total value of $442,995 were financed during the month, compared with 1,070 cars for $632,707 in January a year ago. Used cars financed recorded an even greater decline, the comparative figures being 2,072 and $518,793 in 1933 and 2,982 and $812,501 in 1932.

Wheat stocks were reduced slightly in the week ended Feb. 24 but still remains more than 20 per cent above the figure of a year ago. Exports of wheat are being maintained well above the standard of 1932, the total for the week ended Feb. 24 being 40 per cent above a year ago although one-third less than in the previous week.

Business Briefs

Car Loadings for the week ended Feb. 25 failed to maintain the level of the previous week and fell to 33,939 cars, or by 1,940 cars, and the index number fell from 61.31 to 59.25. Smaller coal and coke shipments were chiefly responsible.

Wheat Stocks on Feb. 24 totalled 224,956,911 bu. compared with 226,497,704 bu. the week before and 186,119,880 bu. on the corresponding date a year ago.

Wheat Exports during the week ended Feb. 24 totalled 3,069,007 bu. compared with 4,583,031 bu. in the previous week and 2,163,217 bu. in the corresponding week a year ago.

January Footwear Output Down 12 Per Cent From '32

Footwear production in January showed a 18 per cent drop from the total for January, 1932, only 978,064 pairs being produced during the month compared with 1,112,192 in the same month of 1932. The number of boots and shoes with leather and fabric uppers, which makes up the bulk of the total, dropped over 21 per cent, however, the total of 808,671 being 221,000 pairs less than a year ago.

Several of the factories reporting to the Dominion Bureau of Statistics stated that they were closed during January for stock-taking and this undoubtedly affected production. The growing tendency of retailers to postpone purchasing supplies until the latest possible moment probably is also responsible to some extent for the reduced production.

Business Conditions in Canada

CIGAR SALES DROP, CIGARETTES SHOW UNSEASONAL GAIN

Reduction in Prices Reflected in January Entries

From Our Own Correspondent

MONTREAL—Statistics on tobacco consumption in January are featured by the sharp drop recorded in number of cigars entered during that month. The number was the lowest to be shown in many years totalling 3,965,735, about half the number reported in January 1932 and slightly over a third of the December figure. Decline in cigar consumption has been marked; in 1932 the number marketed dropped 12 per cent from the previous year and 33 per cent from 1929, the record year.

That cheaper cigarettes are stimulating consumption and drawing smokers away from manufacturing their own is revealed in an increase in the number marketed in January together with a marked drop in volume of cut tobacco entered. Cigarettes marketed in January totalled 310,144,850 a gain of 6,500,000 over December and an increase of 32,000,000 over January 1932. The gain over December is noteworthy since it is unseasonal; as a rule January marketings reveal a decline from the previous month.

Cut Tobacco Falls

Cut tobacco entered for consumption in January was 1,065,534 pounds, a drop of 89,000 pounds from the same month in 1932 and the lowest figure to be recorded since January 1931. This decline, combined with the gain in cigarettes marketed, indicates that smokers are veering back to the manufactured article as a result of lower prices.

Plug tobacco entered for consumption January was at the lowest figure to be recorded for many years totalling 300,491 pounds, a decline of 40,000 pounds from the previous month and a drop of 82,000 pounds from January 1932.

New Industries and Plant Extensions in Canada

Compiled Weekly
By The Financial Post

Eastern Textiles Ltd., whose plant at Eureka, N.S., was recently destroyed by fire, are stated to be considering building a new plant at New Glasgow, N.S.

Canadian Bean Packers Ltd. has been incorporated to enter the bean packing business at Rodney, Ont. It is stated that the company plans to process beans at the rate of 1,000 bushels per day. R. H. King will be in Charge of local operations.

Winnipeg's proposed sugar factory, mentioned in this column last week, has been postponed for a year at least, according to information from A. D. Blaauboer, representative of the Dutch financial interests.

Powdrell and Alexander, Canada, Ltd., has been incorporated to manufacture textile goods in Canada, The company is a subsidiary of a United States concern of the same name. Cornwall, Ont., has been selected as the site of the company's Canadian plant which, it is stated, will employ 150 men. George H. Hees and Son, Ltd., of Toronto, are Canadian distributors and have conducted the negotiations for the United States concern.

Hull Manufacturing Co. of Canada, Ltd., subsidiary of a Toledo company, has secured quarters in the Peabody building, Walkerville, and will be in production about the middle of March with a staff of between 25 and 40 men. The company manufactures automotive equipment machinery and service equipment for garages. Robert P. Hall is in charge of Canadian operations.

Canada Veneers, Ltd., is the name of a new company which will start construction of a plant in Fairville, N.B., this month and which hopes to be in production about three months hence. Rotary-cut hardwood veneers and plywood will be the chief products. Red Hugh McLean, of Bathurst, N.B., is promoter of the enterprise.

Shell Oil Co. of Canada's new refinery at Montreal East is nearing completion. Five tanks, each having a capacity of 4,000,000 gallons have been installed. Completed cost of the plant will be about $2,500,000.

John Goodison Thresher Co., Ltd., Sarnia, has completed a contract with the Simplex Stoker Co. of Detroit, for the manufacture of the Simplex stoker for Canada. The stokers are designed for the larger type of heating and industrial boilers.

British-Educator Biscuit Co., Ltd., has been formed under Dominion charter with an authorized capital of $200,000. The company has purchased the British Empire rights to a line of products as made by the Johnson Educator Food Co. of Cambridge, Mass. Equipment has been installed in a plant in Toronto and production is already under way. The company's chief product is a cheese wafer biscuit. George Burfy, president of Barker's Bread, Ltd., heads the new concern.

JAN. COAL OUTPUT OFF 29.9 PER CENT

And Imports Only One-half of Five-year Average

Canadian mines produced 1,023,243 tons of coal in January, a 29.9 per cent decline from the five year average for the month of 1,458,923 tons. The January output was made up of 565,411 tons of bituminous coal, 54,350 tons of sub-bituminous coal and 403,482 tons of lignite.

Alberta mines produced 474,398 tons compared with 533,481 tons in January a year ago. Nova Scotia output totalled 279,966 tons, a decrease of 24.5 per cent from the January, 1932, total of 370,652 tons. British Columbia's production declined 16.5 per cent while New Brunswick and Saskatchewan, neither of which have large production, showed slight increases.

Coal imports in January totalled 486,206 tons, a 48.8 per cent decline from the five year average of 950,158 tons. Anthracite imports totalled 140,288 tons, of which 122,618 came from the United States, and bituminous imports were 345,530 tons of which 325,915 tons came from the United States.

Textile, Steel Plants Employ More Workers

But Employment Conditions in Other Industries Suffer From Seasonal Slump, Survey Shows

Increased employment on Feb. 1 in the iron and steel and textile industries is the only bright spot in the general depressing picture shown by the monthly employment statistics published by the Dominion Bureau of Statistics. Spring demand for automobiles, agricultural implements and all kinds of wearing apparel is chiefly responsible for this improvement, which, while not as great as a year ago, is nevertheless welcome.

These increases are sufficient to increase the uncorrected index for manufactures from 74.4 to 75.0 but are not great enough to have this effect on either the seasonally corrected index for manufactures or the uncorrected index for employment in all industries, both of which have declined. The corrected index for employment in all industries dropped from 84.1 to 81.1 and for manufacturing from 81.0 to 77.8.

Services is the only other group to improve over Jan. 1, greater employment in hotels and restaurants and professional services more than offsetting declines in the number employed by laundries and cleaning establishments.

Decline in Construction

The continued decline in the number employed in construction, while expected, emphasizes the depressed condition of this industry particularly when it is remembered that included in this index are many laborers engaged in relief work.

Trade also shows more than the usual seasonal decline, dropping from 119.6 to 109.4, the usual seasonal lay-off in the retail field being accentuated by lower employment in the wholesale field. Failure of retailers to make their usual spring commitments is blamed for this latter condition.

Employment By Industries
(1926 = 100)

	Feb. 1 1933	Jan. 1 1933	Feb. 1 1932
Manufacturers	75.0	74.4	85.9
Logging	67.3	74.5	68.5
Mining	94.0	96.9	102.4
Communications	85.7	87.5	97.3
Transportation	75.0	78.5	83.4
Construction	54.8	58.5	90.4
Services	104.2	102.2	112.1
Trade	109.4	119.6	117.2
All industries	76.8	78.5	89.7
Manufacturers*	77.8	81.0	91.4
All industries*	81.1	84.1	98.2

*Corrected for seasonal variations.

March should see further activity in manufacturing for spring demand although heavy industries, particularly in the iron and steel group, are still handicapped by the lack of railroad orders. The seasonal trend between February and March is down in all industries with the exception of manufacturing is downward so that the best that can be looked for is probably a lesser decline than is usual.

Employment in Cities

Automobile activity is chiefly responsible for improved employment conditions recorded in Hamilton and Windsor. All other large cities recorded decreased employment at February 1 compared with January 1, a general decrease in trade and construction being in evidence while all but Vancouver noted reduced employment in transportation.

Employment conditions in the leading cities and in the Maritimes, in which no city for which data are available is situated, are summarized briefly as follows:

Martimes — Mining showed the largest loss though only logging and transportation gained. Employees of 573 firms numbered 53,419 compared with 55,909 at Jan. 1.

Montreal — Manufactures, particularly footwear, iron and steel and edible products, showed considerable recovery. Seasonal loss in trade and transportation.

Quebec—Little change in manufactures except slight improvement in footwear. Trade was seasonally dull.

Toronto — Textiles and vegetable foods showed good gains but trade and construction were slacker. Employees of 1,202 firms dropped 3,274 to 101,427.

Ottawa — Moderate declines in manufacturing, transportation and trade recorded.

Hamilton—Slight increase in employment, mainly in the manufacturing group (iron and steel). Seasonal losses in construction and trade.

Windsor—General improvement in situation. Automobile factories, construction, services and trade all higher.

Winnipeg—Construction and transportation losses resulted in a contraction in employment.

Vancouver — Transportation was brisker but this was more than offset by losses in manufacturing, construction and trade.

Trade Union Unemployment At New High of 25.5 p.c.

Unemployment among trade union memberships in Canada reached a new all-time peak at the close of December, 1932, according to data supplied by the Department of Labor, Ottawa, and published in the Labor Gazette.

For December, returns were received from 1,764 labor organizations involving 155,298 members, 39,607 of whom were without work for the last day of the month. This brings the ratio of idleness to 25.5 per cent among those organizations reporting to the department and establishes a peak total for unemployment since the collection of these records was first undertaken. The previous high peak was in April, 1932, when the ratio of unemployment rose to 23 per cent. The low point in unemployment was on the first of September, 1926, when slightly over 2 per cent of members reporting were unemployed.

All Provinces Slow Up

All provinces reflected a slowing up of activities from the previous month, the recessions rating from 3.5 per cent in Saskatchewan to a percentage of .5 and .3 per cent in Nova Scotia and Manitoba respectively.

Building and construction was considerably quieter than in November, especially in Ontario where a substantial falling off in activity was noted. Nova Scotia unions indicated a pronounced gain in employed members from December, 1931, the coal mines of the province accounting largely for the change, through short-time work was quite prevalent in the mines. The most extensive losses in activity from December, 1931, were apparently among Ontario unions which showed a large drop in the employment afforded. In New Brunswick, Alberta, and British Columbia also heavy curtailment was noted.

According to records in the large cities, Montreal, Toronto, and Vancouver unions recorded the highest percentage of idleness during December. Sharp declines in Edmonton and Regina were noted from the previous month while improvement was observed in Halifax.

BRITAIN BUYS MORE CANADIAN TOBACCO

Imports Increased 70 Per Cent in 1932 Over Previous Year

An increase of 70 per cent in the amount of tobacco exported to Great Britain from Canada in 1932 compared with the previous year is evidenced by a compilation of British imports of this commodity made by the Canadian Trade Commissioner in London. In all, a total of 10,844,154 pounds was taken by Britain in 1932 compared with a total of 6,272,866 lbs. in 1931.

One brand of tobacco and cigarettes is being widely advertised throughout Great Britain, under the brand name "Canadian Club," featuring tobacco entirely grown in this country.

British imports of unmanufactured tobacco were also higher from Nyasaland and Rhodesia in 1932 than in 1931, these increases being at the expense of the United States. The extent of the market possible to Empire producers is seen in the following figures for imports in 1932 and 1931:

Origin:	1931	1932
Total (lbs.)	194,046,176	175,204,136
Canada	6,272,866	10,844,154
Nyasaland	11,116,420	15,063,602
S. Rhodesia	5,909,189	10,462,163
United States	157,218,425	125,290,090

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1933-32	1932-31	Cumulative Jan. 1 to date 1933	1932
Transportation—				
Car loadings (Feb. 25)	33,939	43,591	256,215	328,437
C. P. R. gross earn. (Feb. 28)	$1,837,000	$2,617,000	$14,773,000	$18,248,000
C. N. R. gross earn. (Feb. 28)	$2,224,718	$3,107,766	$16,672,376	$21,952,726
	Monthly			
C.P.R. net earn. (Jan.)	$323,373	$617,479	......	......
C.N.R. net earn. (Jan.)	$‡1,420,848	$‡588,122	......	......
Iron and Steel—				
Pig iron, tons (Jan.)	29,209	10,305	......	......
Steel, tons (Jan.)	40,766	25,060	......	......
Automobiles prod., No. (Jan.)	3,358	3,731	......	......
Automobile exports, No. (Jan.)	504	582	......	......
Construction—				
Building permits (Jan.)	$1,163,878	$2,761,929	......	......
Contracts (February)	$3,149,300	$14,802,600	$6,511,700	$27,540,900
Newsprint—				
Production, tons (Jan.)	140,539	171,321	......	......
Exports, tons (Jan.)	127,779	172,913	......	......
Sugar—			1932	1931
Imports, raw, lbs. (Dec.)	22,371,400	46,338,100	674,635,900	798,359,500
Melt & ship, lbs.*	18,766,629	27,972,514	......	......
Manufactured, lbs.*	27,303,133	27,891,289	......	......
Flour—				
Production, bbls. (Jan.)	859,107	851,192	......	......
Wheat flour exp., bbls. (Jan.)	397,304	331,806	......	......
Other Industrial Indices—				
Lumbering: Plank & board exports, mill ft. (Dec.)	38.54	56.65	675.12	937.73
Boots and shoes, pr. (Jan.)	921,898	1,112,192	......	......
Petroleum, imp. crude, gal. (January)	35,084,950	72,728,643	......	......
Cotton, imp., raw, lbs. (December)	13,819,000	12,224,000	97,356,000	95,598,000
Rubber, raw, imp. lbs. (Jan.)	2,663,414	3,911,406	......	......
Coal, imports, tons (Dec.)	893,636	1,025,187	11,673,428	13,531,831
Gasoline sales, gals. (Sept.)	63,607,000	61,382,000	389,876,000	422,291,322
Trade—				
Imports (January)	$24,441,133	$34,114,507	......	......
Exports (January)	$31,561,813	$38,366,699	......	......
Wheat exports, bus. (Jan.)	14,706,801	9,472,346	......	......
Labor—				
Employment Index (Feb.)	76.8	89.7	......	......
Electric Power—Output—				
M. Kilowatt hours (Dec.)	1,433,159	1,432,182	15,862,736	16,383,398
Finance—				
Failures, No. (Nov.)	229	213	2,224	2,020
Failures, Liabilities (Nov.)	$4,342,717	$4,335,646	$38,849,423	$49,595,665
Bank debits† (Jan.)	$1,968,876	$2,071,034	......	......
Bond sales (Jan.)	$20,203,610	$46,162,086	......	......
Insurance sales (Jan.)	$29,367,000	$37,331,000	......	......
Automobile Financing:				
Used cars (Jan.)	$518,793	$812,501	......	......
New cars (Jan.)	$442,995	$632,707	......	......

*Four weeks period, Jan. 7 to Jan. 28. †(000's omitted). ‡Deficit.

Week's Figures Fail to Reveal One Bright Spot

Boot and shoe production, one of the few business indicators which has maintained its position through the years of depression, shows a very unwelcome drop in January compared with both December and with January, 1932. Some small comfort can be taken from the employment figures which show increased employment in the industry at Feb. 1 compared with Jan. 1 and from the fact that a few of the plants reporting to the Dominion Bureau of Statistics stated that they were closed down in January for stocktaking.

Monthly	Jan., 1933	From prev. period %	From prev. year %
Boots & shoes, prs.	921,898	—5.7	—17.8
Autos. financ., No.	2,916	—19.9	—28.0
$	961,788	—15.0	—33.4
Coal output, tons	1,023,243	—11.8	—11.3
Coke output, tons	150,350	nil	—0.5
Weekly	**Feb., 1933**		
Carloadings, No.	33,939	—5.4	—22.1
Wheat stocks, bu.	224,956,911	—0.7	+21.0
Wheat exports, bu.	3,069,007	—33.0	+42.1

*Weeks ended Feb. 25, 24 and 24 respectively.

WHOLESALE PRICES DOWN FROM JAN.

Seven of Eight Components Decline—Non-Ferrous Metals Advance

Canada's monthly commodity price index, compiled by the Dominion Bureau of Statistics, fell slightly in February to 63.6 from 63.9 in the previous month. Seven of the eight groups making up the index recorded small declines, animal products and non-metallic minerals having the largest declines, while non-ferrous metals and products were higher by 1.4 at 58.3 on higher base metal quotations.

Despite gains in wheat and other grains, the index for vegetable products fell from 50.9 to 50.8 on lower quotations for apples, bread, sugar, and oatmeal. Live animal prices were down considerably as were eggs and cured meats with the result that this index dropped from 56.0 to 57.1 to 56.0 despite advances in furs and fresh meats.

Lower gasoline prices affected the non-metallic minerals index to the extent of 1.0, depressing it to 85.0. Wood and wood products were off 0.4 on lower quotations for wrapping paper, cedar shingles, spruce and hemlock lumber. Other indices remained much at the level of the previous month.

Index Numbers of Wholesale Prices
(1926 = 100)

	Feb. 1933	Jan. 1933	Incr. or Decr. Jan.-Feb.
Vegetable	50.8	50.9	—0.1
Animal	56.0	57.1	—1.0
Fibres	67.9	68.0	—0.1
Wood	62.2	63.6	—0.4
Iron	85.2	85.4	—0.2
Non-ferrous	58.3	56.9	+1.4
Non-metallic	85.0	86.0	—1.0
Chemicals	82.4	82.5	—0.1
Combined	63.6	63.9	—0.3

Gold Output Makes Record

A historic high record in value of production was established by Ontario's gold mines during 1932. Total tons milled in the province amounted to 5,541,920 during the twelve-month period, with a value of $46,891,290, or an increase of approximately $4,000,000 over the total of $42,737,276 in 1931.

Standard of Living off 17% in '32 in Canada Says Bank

The standard of living among wage-earners in five leading industrial groups in 1932 in Canada declined approximately 17 per cent or one-sixth, according to the annual review of this subject undertaken by the Bank of Nova Scotia and published in its February monthly bulletin.

As between 1929 and 1932 the survey estimates that living standards among Canadian wage-earners have declined roughly between 27 and 28 per cent as compared with an average improvement in living standards in the period 1922 to 1929 of approximately 18 per cent.

Three Factors Analyzed

Wage statistics used refer to five groups of industries namely the building industry, the manufacturing industries of Canada considered as a whole, electric and steam railways, the mining industry and the logging industry. The figures are an attempt to express on a common basis the actual money wages received by Canadian wage-earners in these groups and the cost of living, in terms of employment.

Due to the difficulties of estimating this trend in a year of wide fluctuations the usual detailed figures for wages, in terms of money rates, cost of living and employment for the five groups are not published this year. The survey also warns against the dogmatic use of these figures because although in times of rising wages and prices an improvement in the standard of living tends to be distributed fairly evenly, in a period such as 1932 a decline in living standards as represented by a 17 per cent drop in the index number, finds actual expression in a widely diversified experience with a few whose wages remain unchanged or but slightly lowered, actually gaining as a result of the depression, others suffering in varying degrees, and a third group reduced to penury without in many cases any "standard of living" at all.

The actual index numbers quoted by the bank as the average standard of living among wage earners shows the average for 1929 as 100 with the following figures for subsequent years: 1930, 92.5; 1931, 86.9; 1932, 72.3. Thus the relative decline each of the three years is as follows: 1930, 7.5 per cent; 1931, 6.1 per cent; 1932, 16.8 per cent.

Canada's Bid for U. K. Trade Shows Results

Canada jumped from twelfth place in 1931 to fourth place in 1932 in the ranking of countries supplying the British market figures published in the British Trade and Navigation Report reveal. In addition, Canada was the only country to make any material increase in the sterling value of exports to Great Britain, Australia with an increase of one per cent being the only other country to improve its position.

Canada's exports to Great Britain in 1931, according to the report, were valued at £32,840,526 while the amount in 1932 was £43,145,829. The following table shows that although United States still remains the leader her exports to Great Britain dropped nearly 20 per cent between 1931 and 1932 while Canada's exports were increasing 31 per cent.

British Imports from Leading Countries

	1932	1931	Incr. or decr. %
U. S.	£83,671,879	£104,009,495	—19.6
Argentina	50,870,371	52,744,214	— 3.4
Australia	46,192,319	45,679,237	+ 1.1
Canada	43,145,829	32,840,526	+31.5
Denmark	40,556,327	46,695,559	—13.2
N. Zealand	37,484,785	37,775,155	— 0.8
Br. India	32,314,548	36,711,288	—12.0
Germany	30,410,492	64,162,625	—52.5
Irish F. State	26,530,856	36,546,967	—27.8

Cotton Imports from U. K. Gain at Expense of U. S.

From Our Own Correspondent

MONTREAL.—Imports of cottons, yarns and fabrics from Great Britain in December showed a substantial increase over the corresponding month a year ago. Revised tariff came into effect in October last, following agreements made at the Ottawa Conference.

Total imports of cotton, yarns, and fabrics in December last, amounted to 964,407 pounds, compared with 1,318,648 pounds in December, 1931, a decline of 26 per cent. But this decline in total imports occurred altogether in shipments from the United States, which fell from 660,889 pounds in December, 1931, to 283,971 pounds in December last, a decrease of 376,918 pounds. At the same time imports of cotton, yarns and fabrics from Great Britain increased from 544,505 pounds to 616,145 pounds in December, 1932, the first full month of the conference agreement in operation.

Commodity Prices

Commodity Prices at Wholesale‡

	Week ending Mar. 4	Previous week	Same week last yr.
Cattle (cwt.)	$4.25	$4.75	$7.00
Copper, lb.	.05	.05	.06
Cotton, lb.	.0635	.0595	.0715
Rubber, lb	.0297	.0285	.0358
Silk, lb.	1.20	1.20	1.67½
Sugar, raw, lb.	.0287	.0285	.0286
Wheat (Man.) bu.	.48⅛	.45⅝	.65½
Hides, lb.	.04½	.04½	.06½
Coffee, lb.	.08⅛	.08½	.07¼

Weekly Indices

N. Y. Annalist	79.9	80.0	92.3
Fishers'	55.0	55.1	†62.0
N. Y. Journal of Comm.	53.0	52.6	58.5
Crumps (Brit.)	60.0	60.5	†62.4

¶N. Y. Annalist base, 1913; others, 1916.
†Average 1932.

Monthly Indices

	Latest w'sale	Prev. month	Same month last year
Canada (D.B.S.) (Jan.)	63.9	64.0	69.4
Retail (Jan.)	79.7	80.0	89.6
U. S. Labor (Jan.)	61.0	62.6	67.3
Gt. Brit. (Jan.)§	46.9	46.0	50.5

‡Basis of price quotations is as follows: cattle — steers, good, over 1,050 lbs., top price, Toronto; copper—electrolytic, New York; silk—Japanese, 13-15, New York; sugar—96 degree centrifugal c/f New York; wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; coffee—Rio, No. 7, spot, New York.
§Converted to U. S. dollar equivalent.

— Now Ready: 1933 Edition of —
5000 Facts About Canada
By Frank Yeigh
A condensed epitome of our national life under 50 chapters. Indispensable to every Canadian. Special terms to agents and for quantity distribution. Send 35 cents for copy, $1 for 3.
Canadian Facts Publishing Co.
588 Huron St. - Toronto

INVESTMENT SECURITIES
T. M. BELL & COMPANY LIMITED
Head Office:
SAINT JOHN, N.B.
Moncton Fredericton

Canadian Pacific Express Travellers Cheques Are World Currency
Carry them on your next trip and be assured of travel comfort.
Get them from any agent of the Canadian Pacific & most Banks

INDUSTRIAL RESEARCH
IS CONCERNED WITH THE PRODUCTION OF SOMETHING WHICH WILL BE OF DIRECT VALUE AND FROM WHICH A PECUNIARY PROFIT MAY BE SECURED.
MILTON HERSEY COMPANY, LIMITED
Industrial Chemists and Engineers
MONTREAL WINNIPEG

GEORGE F. HARDY
Consulting Engineer
305-309 Broadway, New York City, N.Y.
Member
Amer. Soc. C.E. Amer. Soc. M.E. Eng. Inst. Can.
Consultation Reports Valuations Estimates
Paper and Pulp Mills Hydro-Electric and Steam Power Plants Plans and Specifications

Let it be known that your products are Canadian

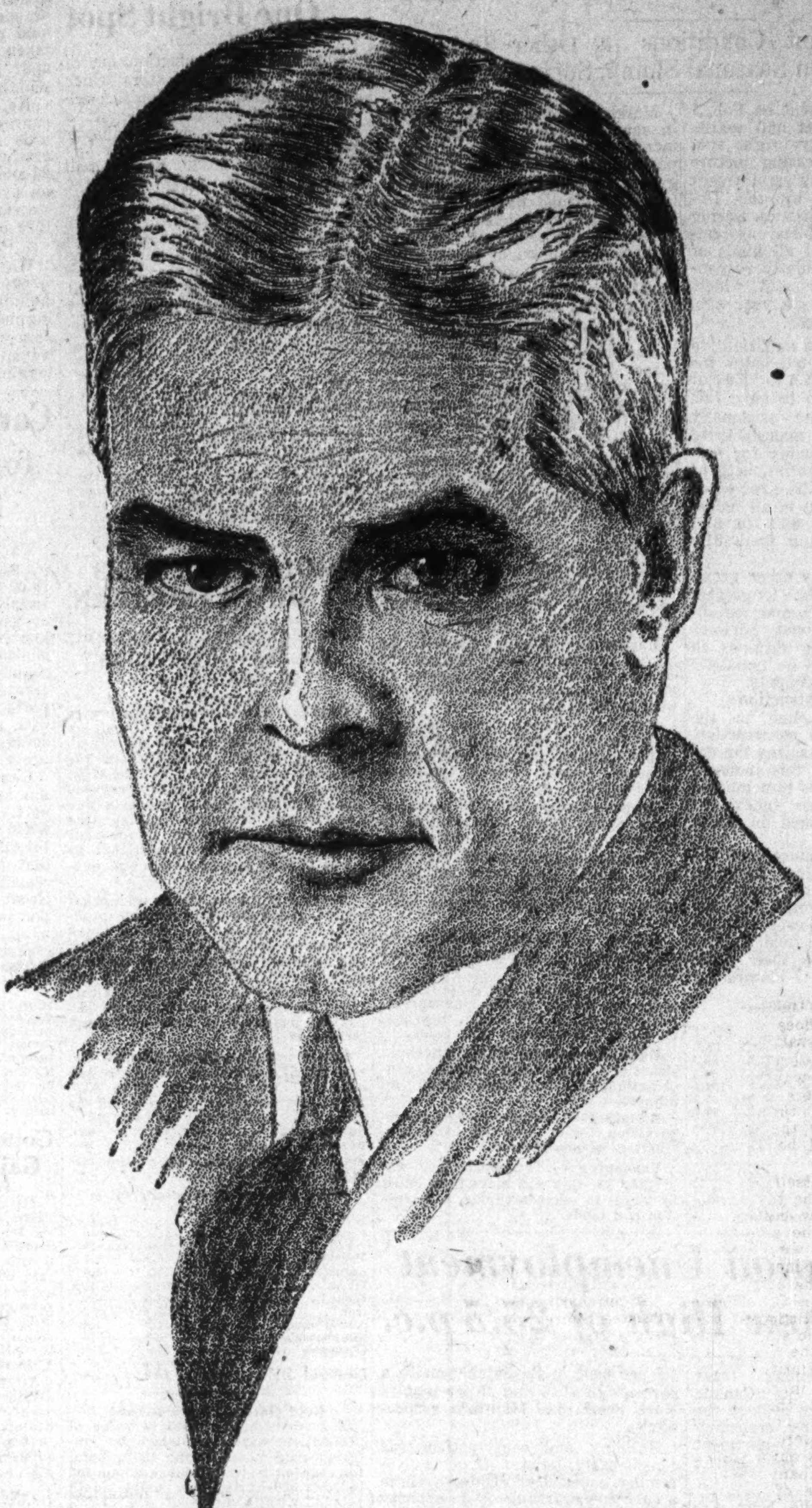
LET us face the facts. Empire citizens want to buy Empire first. How is Canada to get her share of this Empire business? The first difficulty is that the rest of the Empire know as little about Canadian products as we know about theirs.

● There are two known instances where Canadians visiting other countries have been amazed to find that a leading Canadian automobile company with a foreign firm name and a leading Canadian agricultural implement manufacturer with a Canadian firm name were regarded by some of the business men on whom they called as being distinctly 100% foreign manufacturers. And the same often goes for soap, writing pens, typewriters, tires, hosiery and many other lines.

● Many new markets have been opened for Canadian goods as a result of trade treaties, but the granting of preferences to Canadian goods does not automatically guarantee an export business. Canadian manufacturers must take steps to identify their products as Canadian. This fact must be publicized in order to get the sympathetic reception extended to Empire goods. Canadian manufacturers must advertise.

● We offer Canada's national export paper — "Canadian Trade Abroad" — for this purpose. Over 5,000 copies of each issue are distributed to importers, merchants, dealers, public officials, leading citizens, public libraries, chambers of commerce, trade associations, hotels and Canadian Trade Commissioners all over the globe, thus contacting potential distributors, dealers and consumers of Canadian goods.

Canadian Trade Abroad
Canada's National Export Paper
THE MACLEAN PUBLISHING COMPANY, LIMITED
143-153 University Avenue, - - Toronto, Canada



E. W. Beatty, K.C.,
Chairman and President,
Canadian Pacific Railway Company.

"Permit me to congratulate The Financial Post upon having completed a quarter century of usefulness to the community. I look upon it as a leader of sound, constructive thought in the economic life of the Dominion, and my hope is that it will long continue to carry on its greatly-needed good work."

Number 3 of a series—"WHAT BUSINESS LEADERS SAY OF THE FINANCIAL POST"

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Con. Invest. Bondholders Criticize Reorganization

Large Bondholders Agree to Continuance Under Present Auspices But Those at Distance Ask Questions—Liquidation vs. Continuance?

In your issue of February 18 I noticed that the Consolidated Investment Corp. is to be reorganized and you outlined the plan but made no comments thereon. It would appear that some are due.

The holders of the bonds of the present company bearing interest in New York funds at the rate of 4½ per cent are to be asked to accept for each $104.50 at present owing, $70 amount of 5 per cent income bonds payable in Canadian currency at present with about 83 cents on the dollar or about $58, also 1 Class "A" share and two class "B" shares carrying voting rights of no particular value. It also appears that the new bonds are not to be considered to be in default until interest is in default to the amount of 10 per cent after February, 1938, or at earliest February 15, 1940. This appears to be a rather hopeless outlook.

From the tangled phraseology in the "plan of reorganization," clauses 6 and 8, the directors are to be given rather wide powers when deciding what will constitute the security for the bonds. After reading clauses 6, 8, 9 and 10 it is difficult to form an opinion on what the security will be. I confess I have been unable to do so; there are so many exceptions, reservations, qualifications and provisions but it is quite clear that the office furniture is not part of the security.

The directorate of the new company is, I believe, to be composed of the same individuals as the directorate of the old company. The plan of reorganization appears to be an appeal to the bondholders to allow the present directors to carry on till 1940 at a cost of $60,000 for reorganization expenses.

Does Not Like Record

Why should the bondholders agree to this? The history of the present company and the condition in which it now finds itself should not inspire the bondholders with any great degree of confidence in the company's ability to succeed. Money was borrowed in 1929 at 4½ per cent, a very low rate for a corporation, and what has happened? $32,000,000 were paid into the company in 1929 through the sale of securities. This is now earning $155,000 (Canadian funds) or about one half of one per cent. This surely constitutes a depression record. Assets worth in excess of $34,000,000 in 1929 are now stated by the directors (not by the trustee who is supposed to see that the bonds are amply secured) to be worth $4,658,186 or $72 for each $100 bond. The market, I note in The Financial Post of February 18, puts this at between $27 and $31. Perhaps the "plan of reorganization" has caused the market to disconnect the value to this extent. At December 31, 1931, securities and cash with the trustee exceeded 125 per cent of the principal amount of bonds then outstanding. This has now shrunk to 72 per cent according to the directors' valuation, or a decline of 43 per cent. To condone this it is stated that the average price of securities in New York was 41.22 in July, 1932. The average price on December, 1932, is not mentioned although there was an appreciable rise between July and December.

Assuming the directors' valuation to be correct, it would seem to be to the interest of the bondholders to have the company liquidated. The equity of the shareholders has entirely disappeared and in addition a large part of the equity of the bondholders. It might be noted that the original equity of the preferred and common shareholders is not shown separately in the circular.

If, on liquidation, the bondholders should get back every 50% of their equity they would probably be better off in the end. Reorganization will not add anything to the value of the present collateral and will cost $60,000 so what can the bondholders hope to gain by it?

Asks For Audit

In any case before agreeing to any plan of reorganization the bondholders should demand a complete audit of the company's affairs since the time of its inception by some outside concern. I note that you advocate such a procedure for companies in general on page 11 of your issue of February 25 just come to hand and I also note in the same issue that the bid and asked price for these bonds has sunk another three points during the week. Evidently the investing public does not approve of the plan to the same extent as the "holders of large amounts of bonds and shares" mentioned by the president in his circular. Complete statements of securities dealt in, prices paid, and dates traded in should be furnished so that the bondholders would be able to form an opinion as to possible success of the company under the proposed plan.

I would be glad to see the entire proposition thoroughly analyzed and commented upon in the columns of your paper.

D. C. C.

Saskatoon, Sask.

I hold a $1,000 4½ per cent bond of Consolidated Investment Corp. I received a letter from Wood, Gundy & Co. explaining the reorganization plan. Would you advise me to make the exchange? What would happen to the bond if the estate did not make the exchange?

M., Hamilton, Ont.

Also Desires Audit

Re: proposed reconstruction of the Consolidated Investment Corp. of Canada.

As a bondholder in the above company, I should feel obliged if you would let me have your opinion of the present scheme.

I note that the securities held by the corporation are stated to be worth $4,658,186 and the estimated revenue for 1933 is $155,000 or under 3⅓ per cent.

On this return I cannot see that the securities can be worth the amount stated.

There is no audited statement of the affairs of the corporation which seems to me to be a bad feature, and there is no information given as to the character of the investments.

If the past results of the business are to be taken as any criterion of the future, would it not be far better for the bondholders to take a loss of 30 per cent and have done with the matter, that is provided that the estimated value of the investment can be realized.

T. J., Fort William, Ont.

Why Not Protective Committee?

I got a surprise when I recently read in one of the Canadian papers that the Consolidated Investment Corp. of Canada had defaulted on the interest due February 15 on its 4½ per cent collateral trust gold bonds.

I also observe that a plan for reorganization has been proposed, presumably by the Consolidated Investment Corp. themselves; and I am wondering why it is that the customary practice of forming a bondholders' protective committee has not been followed in this instance? Is it that the Consolidated Investment Corp. did not want this to happen, and forestalled any action on the part of bondholders by themselves proposing a scheme for the rehabilitation of their company?

As the Consolidated Investment Corp. was a trust, of the management type, I assume that the collateral behind the bonds would be much more liquid than the bonds of most industrial corporations, as, in the case of the latter, the security for the bondholder would probably take the form of a first mortgage on the plant and equipment, and property of this nature might be hard to realize upon, especially during periods of business depression.

I take it, on the other hand, that the security for bondholders in an investment corp. would consist chiefly of the stock it owned in the various companies which came under the purview of its management; and such securities would be deposited with the trustees for the bondholders, as protection for their bonds. I further presume, that the trust deed, in the case of the Consolidated Investment Corp., was lived up to, and that, at all times, an equity of not less than 125 per cent of the principal amount of the bonds outstanding was maintained with the trustees.

Expects Too Much

Now, if this corporation carried out its covenant, the equity behind the bonds, even at today's depreciated values, should be 25 per cent in excess of the total principal value of the bonds issued; and, if this be the case, I am puzzled to know why any holder of the 4½ per cent collateral trust bonds will willingly accept anything now but a return of the principal money of the bonds at par.

In other words, if the Canadian Consolidated Investment Corp., through their management, have already demonstrated their inability to earn for the collateral trust bondholder 4½ per cent, without diminishing the equity behind the bonds, by what process of reasoning should they expect to secure bondholders' approval of a scheme involving greater sacrifices, such as will be considered at the proposed meeting on March 22.

It does seem to me that the present is a good time for bondholders to get out from under, and I fail to see why they should not make full use of the opportunity now offered.

As a minority bondholder in this corp. I shall appreciate your views, and also whether you consider my position as soundly taken?

R. J., Newfoundland.

D. C. C. Saskatoon, states the position correctly so far as the offer of the directors of Consolidated Investment Corp. is concerned. He and all other bondholders own bonds whose par value, plus accrued interest in New York funds, amounts to $104.50 for each $70 in par value of the income bonds which are offered in exchange along with junior voting stock. In actual value one would be worth as much as the other, judged by equity and earning power. They are not obliged to accept the offer but can turn it down, put the company in receivership and then continue it as a going concern or liquidate it as they please.

Each bondholder will no doubt make his decision according to his ideas as to what method will most profit himself. He must ask himself whether or not a protective committee is likely to provide more successful management or more profitable liquidation than those now in the saddle. T. J., Fort William, thinks that it would be best to liquidate if 70 per cent of the face value of the bonds can be obtained. There are two considerations which make such an outcome unlikely. Continuance under the present auspices or under new management would probably prove best because liquidation as a policy would be a long-drawn affair of years; any attempt at speedy selling under present market conditions of considerable offerings of any one security would drive that security much lower than current valuations.

Such liquidation would take a longer time also because the portfolio includes many bonds and stocks which are not now quoted and whose value, as included in the portfolio, was a matter of estimate by the directors. Many of the securities written down to nothing or near it were highly regarded by investment bankers at the time this trust was formed; some of them are low because dependable means of international exchange have faded away since the securities were bought; and others were issued by companies whose roseate expectations of profit were based on the price level as it existed some years ago.

Insurance Companies Agree

Large bondholders—we understand, the insurance companies—have agreed to the present plan. These companies have seen the portfolio and evidently believe that the best chance is to keep the company a going concern under present auspices. Other shareholders at a distance have not that advantage and do not know the considerations which led them to this view. The Financial Post has often expressed the opinion that shareholders of a management investment trust should have the privilege at least once a year of seeing at least the names, if not the quantities held, of each security. There is a privilege of inspection at the head office of the company for shareholders but that is not much help to the shareholder in Saskatoon or Edmonton. The managements of many management investment trusts in this country object to publication of their portfolios on the ground that it gives out general information which may work out disadvantageously for them in market operations. The Financial Post believes that interests and rights of shareholders outweigh such considerations.

This is not a specific criticism of the company's portfolio which cannot be criticized as it is not available to the public. The statement that many of the securities were in companies engaged in getting out the primary wealth of the country suggests that newsprint securities might have been prominent, that companies dealing with farmers would be represented and that companies making rayon or some such product might be included. It is quite true, as the directors say, that companies such as these have suffered most severely from the drop in prices of commodities. If prices stabilize or begin rising again at some future time—as they surely will soon or late—some at least of these companies have a good chance of joining the procession to better times.

If bondholders could sell out quickly and be done with it, liquidation might appear the attractive path. But until good times come liquidation would necessarily be slow.

Preserving Priorities

If M., Hamilton does not accept the exchange proposal of Consolidated Investment Corp. directors he will be in no way penalized until the bondholders accept the plan proposed. If the majority then accept the plan, the best thing for him to do will be to fall in with the rest.

As to the plan itself, these income bonds would be the only securities of the new company on which there could be expected to be revenue for some time and therefore until business became active once more the other securities exchanged for Consolidated bonds would have little value on the market. It is the stated object of the sponsors of the new plan to preserve all the priorities of the old bonds so that, in case of returning prosperity to the company, nothing in arrears of interest would be lost to holders of the new income bonds. It is quite true, as stated by the company that the fall in the average of industrial stocks listed on the New York Stock Exchange as shown by the Dow-Jones average was from a high of 381.17 in 1929 to a low of 41.22 in July 1932 and that similar lows were not shown since 1897, when it dropped to 38.49.

We are informed that it is the intention to continue paying interest on the income bonds, but not at the rate at present shown on the Consolidated Investment bonds. The drop is stated to be a measure of precaution until the situation is remedied.

Trust Company's Duty

R. J., Newfoundland, asks why the customary practice of informing the bondholders of the situation, and of the formation of a protective committee has not been followed. Such action has been forestalled by the management which makes its own proposals to the bondholders for them to accept or reject as they wish. If the bondholders do not wish to accept the present offer they can unite and form a bondholders' protective committee.

We understand that the reason why the Montreal Trust Company has not called bondholders together is for one thing that they were not called upon to do this until there would be default in interest, or on some of the obligations assumed by the company toward the bonds. One of these obligations was that 125 per cent in marketable securities should be retained behind these bonds. R. J.'s view is that it would be more profitable for the bondholders to have these securities liquidated and the proceeds distributed among the bondholders than to accept the present proposal of a 70 per cent income bond and other securities which will return principal and income to the bondholders only if general business recovers and the portfolio of the company is thereby strengthened, both in market value and in income.

That would be true if the company had been able to live up to the provision requiring 125 per cent of liquid securities. The Financial Post pointed out some time ago that the company had fallen down in this particular, but immediately after that is was understood that sufficient of the bonds were bought in at low prices to restore the situation.

However, securities held by the corporation have again dropped considerably, and market valuations of quoted securities together with estimates by the officers and the directors of the value of non-quoted securities are as indicated.

Because of this failure to keep 125 per cent in marketable securities behind the bonds, bondholders could have asked for a protective committee if they wished. The Trust Company takes the ground that it is not obliged to take action in calling for a bondholders' meeting on such a situation unless it is specifically requested by the bondholders. In such a case it would not act where there was any doubt on the question, that is, doubt as to which procedure would be in the best ultimate interests of the company and its bondholders.

Company's Position

The company's total revenue on securities was $155,000 or a little less than 3 per cent on $6,427,000 4½ per cent bonds outstanding. The obligations of the new company with respect to interest on the income bonds will be to pay 1 per cent when the bonds are delivered to those entitled to receive them and thereafter 4 per cent in respect of the 12 months ending February 14, 1934, and 5 per cent in respect of each succeeding 12 months to maturity, to the extent that the income of the new company warrants such payment. Interest not paid is to be cumulative. 4 per cent on $4,498,900 of 5 per cent cumulative income bonds would be $179,956, but to pay 5 per cent in the succeeding year the income of the company would have to increase. Instead of that it is even possible that it might decrease, as it has during the last three years. The bondholders would have another chance on February 15, 1938 if unpaid interest then aggregated more than 10 per cent per annum. That would be in event of default under the trust deed of the new company. We are informed that under the Dominion insurance department method of valuation there is 200 per cent of securities behind these bonds, but that method is not on the basis of present market values.

The company has a number of securities in its portfolio which have ceased to pay dividends and which have been written down drastically. This is particularly true of securities in newsprint, farm implement and steel companies. It is also true of bonds of South American countries which, because of exchange conditions and low business, have been unable to maintain service on their bonds. It still has a number of them which are dividend- and interest-paying, however.

As the company's securities are scattered far and wide in various countries, an improvement of exchange would be helpful to it. Some of its foreign revenues have had to be kept in the countries where earned. The company's chief earnings are divided between the Canadian dollar, the U.S. dollar and the English pound.

First All-Canadian

Are First All-Canadian Trustee Shares unit a reliable investment? How do they compare with British American Oil?

First All Canadian Trustee Shares provides diversification for a small investment. The underlying stocks are held by the Capital Trust Co. acting as trustee for the shareholders and these underlying shares cannot be sold except as provided in the trust deed. No substitutions or eliminations of stocks in the portfolio can be made unless shares reach a certain fixed selling price or in the event of merger reorganizations, etc. The shares included in the portfolio are those of companies which with a few exceptions are among the most stable of Canadian enterprises.

In purchasing First All Canadian Trustee Shares you would be getting a greater degree of diversification for your investment than would be possible in buying British American Oil stock but the latter company has had a good record of earnings and its stock is more readily marketable.

Beatty Bros.

I would appreciate your opinion of the present position of Beatty Bros., Ltd.

Beatty Bros., Ltd., manufactures a wide range of household appliances including electric vacuum cleaners, floor polishers, ironers and washing machines and manufacturers of these lines experienced a poor year in 1932 and there is no indication of immediate improvement. The company also manufactures a complete range of barn equipment for which demand has been sharply curtailed. Net profits were down to $6,980 from $102,708 in 1931 and $622,293 in 1930 and after payment of dividend on the first and second preferred stocks and the Class "A" common stock the company had a loss of $131,002.

At August 31, 1932, the company had current assets of $4,767,266 and current liabilities of only $263,442. The company had practically no cash on hand and a bank loan of $140,700, the latter item having been reduced from $477,500 the previous year. Current assets consist chiefly of accounts receivable amounting to $3,438,543 and inventories of $1,095,668. It is our understanding that the accounts receivable include payments due on the installment plan from consumers. Collections in the last fiscal year were stated to have been well maintained although doubtless there was some drop due to general conditions. The company has a mortgage payable of $57,000 but has no funded debt.

Fundamental Trust Shares

Will you please send us a report on Fundamental Investment Trust "A" and "B" shares, listed on the New York Curb, and how you consider them as an investment for $200 or $300? Any information you can give us will be very much appreciated.

Fundamental Trust Shares is a fixed trust sponsored by E. A. Pierce & Co. late in 1930. The series "A" shares are of the cumulative type, the series "B" shares of the distributive type.

The investment portfolio of both the cumulative and the distributive trust is the same and each share represents one-1,000 participation in a unit of deposited common stocks which includes two shares each of nine public utility companies, four railways, three oil companies and 23 industrial companies. No substitutions or eliminations can be made in the portfolio except in case of merger or consolidation. Both series have been termed "unobjectionable" by the New York Stock Exchange. On each series "B" share a reserve fund of 60c. was originally established but this has been substantially reduced since income from the underlying shares has not equalled 30c. per share semi-annually which is to be paid in dividends on the class "B" shares.

Great Lakes Paper

Would you give me your opinion on investing in the bonds of the Great Lakes Paper Co. which is now in liquidation? We would like to have your analysis of this investment, where increase in value would be viewed as interest.

The position of Great Lakes Paper Co. appears to have had a basic improvement in the last three or four months due to the fact that the company now has newsprint contracts in its own name and is not operating on tonnage supplied by Minnesota and Ontario Paper Co. Earnings this year will not be sufficient to meet bond interest but it would seem that the company is in a better position to take advantage of any improvement in newsprint prices that may develop during the next few years. There is also reason to believe that ultimately a reorganisation will be effected and presumably bondholders would get at least some equity in the company.

At the present time, there is practically no interest in newsprint securities and with prices of newsprint at present low levels, there is little incentive for dealers to stimulate interest in these securities. Eventually, the bonds of Great Lakes Paper should be worth substantially more than they are at present, but it may take some time before speculative interest is aroused.

Alberta-Ontario Bonds

We would appreciate it if you would give us information regarding the current position and any facts that will give us an indication as to the possible status at maturity of Province of Alberta 5½s and Province of Ontario 4½s, both due November 1, 1933.

The provincial legislatures of both Alberta and Ontario are in session and the budgets of the two provinces will shortly be presented. At that time, the fiscal positions of the provinces will be shown. Ontario ended its fiscal year October 31, 1932, with some increase in deficit over the preceding year when the deficit on current account was $456,902. In the year ended March 31, 1932, Alberta had a deficit of $5,153,051 while for the nine months ended December 31, 1932, the deficit was reported at $1,395,483 which indicates that there has been substantial improvement.

It is unlikely that either Alberta or Ontario will default on their obligations. Alberta has $5,000,000 of bonds maturing in 1933 of which the 5½'s due November 1, 1933, constitute $3,000,000. The Ontario 4½'s due November 1, form part of a serial issue of which $800,000 matures this year.

No figures are available as to Ontario's floating debt. Alberta has a bank loan on current account of some $3,500,000 at the present time but payments aggregating $5,000,000 from the Canadian railways fall due in June which should wipe out this bank loan. We are not aware of the size of bank loans on capital account.

Winnipeg Water District

A client, who has retired, wishes to arrange his investments in order to provide the best safety of principal and income for his widow in the event of his death. What is the situation of the Greater Winnipeg Water District 6 per cent debentures, due in 1940?

The Greater Winnipeg Water District is composed of the City of Winnipeg and surrounding suburbs including St. Boniface and St. James. Revenues of the water district are collected by the municipalities with Winnipeg supplying about 87 per cent, St. Boniface 6 per cent and St. James 4 per cent. While both St. James and St. Boniface are in financial difficulties we believe that there is what practically amounts to a joint and several liability on the part of the various municipalities and if one fell down in payment the unpaid portion would be met by other municipalities. So far, we understand, the water district has had a surplus.

The Winnipeg Water District 6 per cent debentures due 1940 are currently quoted at 94 to 97. They are generally regarded as being just as secure as the City of Winnipeg bonds. Their retention by your client would depend in some degree upon his other investments since if he is arranging his investments to take care of his widow in the event of his death, it would probably be advisable to have some Dominion of Canada or Dominion of Canada guaranteed bonds which have a higher degree of security and are more readily marketable than the Greater Winnipeg Water District bonds.

Dominion Bridge

What is your opinion of the prospects for Dominion Bridge Co.? I have considered buying the shares but would like to have your opinion.

Though immediate outlook for Dominion Bridge Co. is not encouraging, the company's strong cash position, established in more prosperous years, should stand it in good stead until business improves. Until building activity shows an upswing, earnings of the company may be expected to remain at a low level and in view of the current desire for economy, prospects for an early resumption of building are not impressive. Dominion Bridge, however, is the largest structural steel producer in Canada and may be expected to obtain a good share of business offering.

Canadian Celanese

I would be obliged if you would give me some details of progress made by Canadian Celanese in recent years. Did the company do well in 1932? What is the capitalization and why are there arrears on the preferred stock?

Canadian Celanese Limited has progressed in recent years and our understanding is that earnings in 1932 were sufficient to cover all charges, including preferred dividends. In 1931 earnings were equal to $8.95 a share on the preferred stock, on which dividends at the rate of 7 per cent have been paid since December, 1930. Capitalization comprises $9,000,000 of preferred stock and 250,409 shares of no par common stock. Arrears on the preferred are due to the fact that the stock is cumulative from 1926 and no dividends were paid until 1930. In December last year, however, an extra of $1 per share was paid, on account of arrears, reducing them to $28.75 a share. Further disbursements may be expected as earnings warrant.

Gatineau Power

I have been advised to sell my first mortgage bonds of Gatineau Power Co. I am told that the position of International Paper and Power is not satisfactory and that Gatineau Power Co.'s position would be endangered if anything happened to the larger organization.

In considering the first mortgage bonds of Gatineau Power Company it is well to remember that revenue derived from the company's contract with the Ontario Hydro is sufficient to cover the interest requirements. Further, the sales of power are paid for in U.S. funds, while the contracts are on a long-term basis.

Earnings in 1932 have shown improvement and all interest requirements have been covered. Though the position of International Paper and Power Co. might be regarded as unfavorable at the present time, Gatineau Power is a separate entity and we see no reason why its contracts with the Ontario Hydro should be imperilled by any situation which might arise in International Paper and Power.

Canadian Securities

Dominion of Canada
Dominion Guaranteed
Provincial Government
and Municipal Bonds

DOMINION SECURITIES
CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

Board of Directors

E. R. WOOD
President

G. A. MORROW
Vice-President
and Managing Director

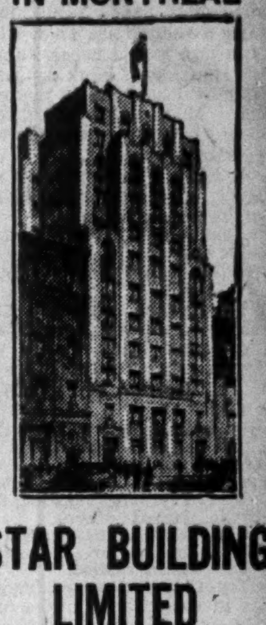
HERBERT C. COX
LEIGHTON MCCARTHY, K.C.
Vice-Presidents

E. T. MALONE, K.C.
W. S. HODGENS
W. G. MORROW
A. B. FISHER
A. H. COX
FRANK P. WOOD
FRANK MCCARTHY, K.C.

CENTRAL CANADA
LOAN AND SAVINGS COMPANY
KING AND VICTORIA STS., TORONTO
23 SIMCOE ST. N., OSHAWA
ESTABLISHED 1884

WHEN REMITTING
SEND
CANADIAN NATIONAL EXPRESS
MONEY ORDERS

WHY NOT LOCATE
IN MONTREAL



STAR BUILDING
LIMITED
231 St. James Street
West, Montreal

Offers for Rent

A limited number of choice offices ranging in area from 200 to 2,000 square feet.

The building is serviced by high speed signalled controlled elevators and provides excellent accommodation for brokerage, investment, insurance, accounting and legal firms.

For further information apply
Room 201 or Phone
MArq. 9326

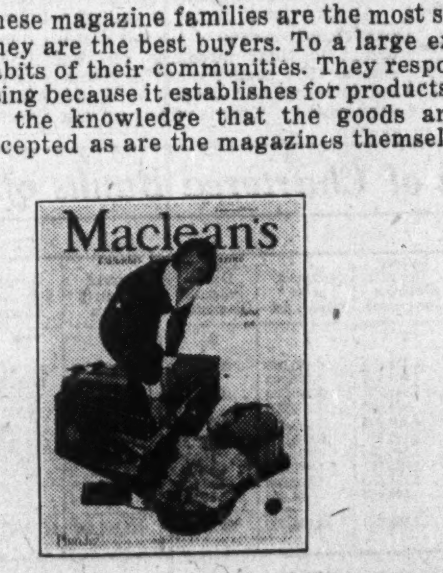
Reaching the Cream of the Urban Market

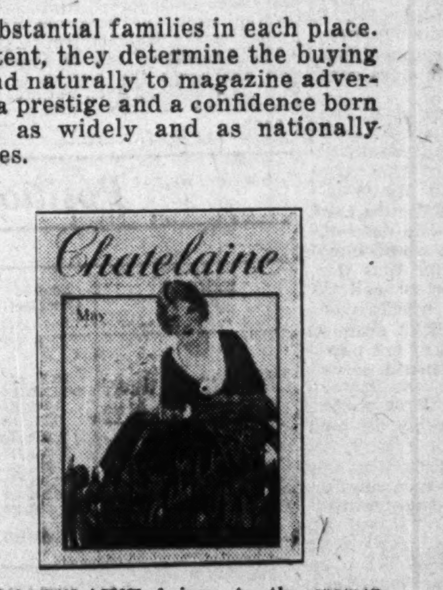
CONTINUING their remarkable growth of recent years, the combined circulation of Maclean's Magazine and Chatelaine is now in excess of 380,000 copies each issue. During this year it will pass the new guarantee of—

400,000
NET PAID A.B.C.

With their circulation divided proportionately to population, they provide a most economical way of reaching 2 out of every 5 English-speaking urban homes right across Canada.

These magazine families are the most substantial families in each place. They are the best buyers. To a large extent, they determine the buying habits of their communities. They respond naturally to magazine advertising because it establishes for products a prestige and a confidence born of the knowledge that the goods are as widely and as nationally accepted as are the magazines themselves.





MACLEAN'S is the unchallenged leader among magazines in Canada. It is edited with the serious purpose of interesting and serving the widest possible audience. It aims to provide for every member of the family a magazine that will inform and inspire along lines of broad, national sentiment.

CHATELAINE brings to the women of Canada, practical, informative articles about the business of housekeeping. The readers of this magazine consist mostly of younger married women and brides-to-be whose requirements are not previously met by any magazine published in Canada.

Advertising in These National Magazines
Indicates that the Product Itself Is
Nationally Sold and Accepted

Bank Chat on Current Topics

Western Bank Probe

THERE is a "Bank Act Commission" in Saskatchewan taking evidence on various phases of Canadian banking. Political Conservatives have ventured some rather radical opinions before the commission which is sitting at Regina. Bankers have also testified.

On motion of Dr. R. H. Smith, Moose Jaw Conservative, the Saskatchewan legislature has unanimously adopted a resolution that "in the opinion of this assembly the next revision of the Bank Act should provide for the issue of currency and the control of credit by the state." Probably the most remarkable feature of this resolution is its adoption unanimously—in this respect it violates the usual Canadian parliamentary procedure.

S. A. Whittaker, Moose Jaw county Conservative, testified that he would suggest the commission recommend that the banks get together "voluntarily" and agree on a wholesale debt adjustment—meaning a reduction. This, (it appears to us,) would necessitate arbitrary slashing of bank deposits—handing over one man's money to another. Most people like to be done out of their property in some more subtle manner.

H. A. Lilly, Thunder Creek Conservative, is reported to have stated to the commission:

> "The banks will have to be forced into this business of loaning money to the small borrower. I have no suggestions to make."

S. N. Horner, Francis, Sask., Progressive, wanted interest lowered on bank loans. Asked what maximum rate of interest he favored, Mr. Horner is reported to have said:

> "I wouldn't say, but will say that I think four per cent is about the most farmers can pay."

"Wouldn't two per cent be better?" asked W. C. Paynter, Tantallon, Sask., one of the commissioners.

> "Well, I don't want to appear a 'red' or a radical, but no per cent would be best," the witness replied.

No report has appeared from the Regina investigation that the banks be requested to pay borrowers to borrow money.

S. A. Whittaker, quoted above, is also reported to have said:

> "The time has come to squeeze the water out of bank stock and all other stock."

* * *

ON THE same day, W. G. Yule, Regina supervisor of the Royal Bank of Canada, testified that the paid up capital of all Canadian banks was $140,500,000. Reserve funds totalled $162,000,000, of which $103,000,000 had actually been paid in cash by shareholders.

Since the capital as well as most of the reserves was paid for in cash, there hardly appears to be any water in Canadian bank stocks.

Dr. R. H. Smith, mentioned above, is reported to have declared that the cheque system was abused—that the inflation of bank credit in Canada was "simply astounding"—in 1927 the total of cheques issued in Canada was 47 billion dollars, although there was less than 400 million in currency in the country.

This is explained, of course, by the fact that most of us handle more money in a year than we have on deposit in the bank—and in the course of centuries of banking experience it has been found necessary to have only a fraction of the deposits available in the form of currency.

Commenting on the deflation of prices, which had been blamed on the banks, H. F. Liggins, Regina supervisor of the Canadian Bank of Commerce, tersely remarked that "a deflationary movement hurts the bankers as much as it does others."

Judging from the evidence, which has been given full publicity, there would appear to be some political capital being made out of abusing Canadian banking at the Regina "investigation."

* * *

Post Dating Cheques

BANKERS probably win more arguments with customers than they lose. Here is an example.

A hardware merchant wanted to issue a post-dated cheque. He wished to date it on the day it was drawn, Feb. 20, and type across the face of the cheque; "Not payable until March 15."

Upon consulting his bank manager, he was told that he should simply date the cheque March 15. The hardware merchant did not agree, and claimed that he might die before the cheque was due, thus invalidating it. The argument became so heated that we were consulted to settle it.

Not knowing anything about the legal aspects of the question, we consulted the Canadian Bankers' Association. It appears that the cheque should be dated March 15 to simplify matters. If the drawer died between Feb. 20, the date of issue, and March 15, it would only be necessary to establish that the signature was genuine to collect the money. However, officials of the C.B.A. thought that a cheque dated Feb. 20 and marked not payable until March 15 should serve the purpose, provided the latter inscription had clearly been made by the drawer, preferably in his own handwriting.

The banker appears to win on the basis of simplicity and clarity as to the intention of the drawer.

Staff Changes

The Bank of Montreal has made the following changes in staff appointments:

D. LLOYD WILLSON, formerly manager of the Central Market branch, Hamilton, Ont., to be manager at Niagara Falls, Ont.

A. E. JOHNSON, formerly manager at Niagara Falls, Ont., to be attached to the superintendent's department, Toronto.

JAMES P. WALSH, formerly at Union St. branch, Saint John, N.B., to be teller-accountant at Bridgewater, N.S.

The Bank of Nova Scotia announces the following changes in staff appointments:

E. E. KING, formerly manager at Streetsville, Ont., to be manager at Brigden, Ont.

W. L. WATSON, formerly manager at Brigden, Ont., to be manager at New Toronto, Ont.

S. W. JONES, formerly on the staff of the Montreal branch to be acting manager at Sherbrooke and Grand Blvd. branch, Montreal.

Branch Changes

The Bank of Montreal has closed its Tavistock, Ont., branch, turning over the business of the branch to the Canadian Bank of Commerce.

The Canadian Bank of Commerce has closed its Ingersoll, Ont., branch, turning over the business of the branch to the Bank of Montreal.

The Canadian Bank of Commerce also announces the closing on Feb. 28 of its Woodland Ave., Verdun, Que., sub branch to the Verdun, Que., branch.

Current Events in Banking World

Management Better in Canadian Banks in Contrast to U. S.

Strict Terms of Bank Act Also Give Superiority to U. S. System

OUR BANKS LIQUID

Policies on Investments and Security Loans Illustrate Superior Experience of Canadian Bankers

Better management is probably the chief factor in the great strength of the Canadian banks in contrast to the present deplorable banking situation in the United States. The strict terms of the Canadian Bank Act are also of great importance in the enviable position of our banking system. "You cannot make bankers capable by legislation," is the way one economist put the matter to The Financial Post last week in an interview of this subject.

Other factors which give the Canadian system strength and liquidity in contrast to United States banks are:

Early and drastic liquidation of security loans after the 1929 crash.

Absence of frozen investments in foreign securities.

Diversity and length of experience of Canadian bank executives.

Absence of small and untested banks.

Absence of frozen real estate loans.

Diversity of risks through the branch system.

Double liability of shareholders.

Uniformity of banking control under one legislative authority.

Shareholders' and Government inspection.

Absence of security affiliates.

Higher rates of liquidity in most cases.

Privilege of issuance of asset currency, particularly through the Finance Act.

The combination of these has resulted in great public confidence in the Canadian banks which is most important.

What Management Means

The strength contributed to the Canadian banking system by management is exemplified in the treatment of security loans by Canadian and United States banks after the stock market crash of 1929. Practically from the time of the commencement of the deflation of security prices, the Canadian banks liquidated collateral loans. Thus they were continually protecting themselves as the deflation continued. In the United States, there was a sharp liquidation immediately after the crash, but this was not maintained.

In 1930, as U.S. banks continued to take over brokers' loans, the total of advances on securities rose until it was at the approximate peak level of 1929. After this condition had prevailed for several months, liquidation started, but it proceeded at a slower pace than in Canada throughout the deflationary movement. Thus the decline of values continued to sap the strength of the United States banks on collateral loan assets. Thus was created one of the large frozen assets in the United States banking structure. This striking difference in policy can only be attributed to the different policies of management in Canada and the United States.

No Foreign Loans

Another example of the differences in management in the Canadian and United States banks is shown in their attitudes toward foreign loans in the boom years between 1924 and 1929. Canadian banks, unlike many investors in Canada, did not buy any substantial volume of the securities of many South American and minor European countries which were offered in those years. In the United States, on the other hand, many banks succumbed to the apparently attractive securities peddled by bond salesmen, and acquired large foreign bond holdings. These securities have depreciated drastically, and constitute another weakness of the United States banking system.

Nothing but management, knowledge and experience of Canadian banks can account for the discretion of Canadian bankers in contrast to United States bankers in their respective attitudes to these investments. The seemingly attractive returns obtainable from these securities did not prevail against the better judgment of Canadian bankers.

Another U.S. Pitfall

These foreign investments led United States bankers into another pitfall which Canadian bankers were able to avoid through their better management. Because of the lack of confidence in United States banks and bankers in 1931, depositors started to withdraw funds in March of that year. This forced the hand of United States bankers, and made them liquidate some of their security holdings. They clung to their Liberty bonds because of their great liquidity. They held their foreign bonds because of their substantial losses in them, which they hoped to recover in the future. Instead of these they liquidated substantial holdings of Canadian bonds, chiefly government securities. This is now a source of assistance to the Canadian bond market which might otherwise have to withstand heavy sales from U.S. banks. The Canadian banks avoided this necessity by better management from the outset.

Good management of Canadian banks and comparatively weak management of many United States banks is probably due chiefly to length and diversity of experience of our chief bank executives. It is also due to the requirements of the Bank Act for much larger capital to start a bank in Canada than in the United States.

Training of Executives

It is usually only after many years of training in all phases of banking in many parts of the country that general managers and their assistants are given charge of bank administration in Canada. In the United States any one with $50,000 can start a bank with little training. Until recently only $25,000 was necessary. In Canada a capital of $500,000 is necessary, and this in itself keeps small fry out of the banking business. It is reasonably certain that no one will incorporate a bank in Canada without capable and trained management when such a large capital is required. In the United States, however, many relatively small business men have started banks in order to gain local prestige and enter what may have seemed a simple and profitable business. This has caused many failures.

Another large factor in the present frozen position of United States banks is their advances on real estate. The security has depreciated in value and cannot be liquidated readily. This is wisely prohibited in Canada by the Bank Act. Oddly enough an American, Alexander Hamilton, advocated this principle, and incorporated it into United States banking.

Hamilton's Charter

The articles, for instance, on which the charter of the Bank of Montreal was based, when it was incorporated in 1817, were the provisions written by Alexander Hamilton in the charter of the first bank of the United States. According to the late E. L. Stewart Patterson, only such changes were made as were required by reason of the lack of incorporation of the Canadian bank and the subscription of the U.S. government to stock of the bank of the United States. The articles provided for "asset currency" and the establishment of branches, and prohibited loans on mortgages or dealing in real estate, provisions still characteristic of the Canadian Bank Act. The United States itself later departed from these fundamental principles of Canadian banking, apparently not to its advantage.

It should be remembered that the charter of Alexander Hamilton itself was probably based on study of British and French banking in the eighteenth century. It appears clear, however, that the roots of the Canadian banking system and our Bank Act lie in the original Hamilton plan intended and once used in the United States. In the course of the last 100 years many improvements have been made, of course, and the Bank Act is now better suited to the peculiar needs of this country.

Paradox of Banking

A great paradox of banking is that a certain proportion of bank assets cannot be immediately liquid. No system of banking can overcome this. But in the United States, the limits of this paradox have been extended to include real estate loans which are only liquid over a period of years. In Canada, banks have their non-liquid funds largely in commercial loans, which, at their worst are liquid in a few months.

The branch system in Canada has also been a source of strength to our banks. There is a diversity of risks which does not exist in many United States banks. Thus, if a branch is uneconomical in Canada, it can be closed without any particular ill effects. If a small bank is uneconomical in the United States, it must close its doors, possibly with loss to depositors as well as to shareholders.

Another provision of the Bank Act which has important bearing on the factor of safety in Canadian banking is the double liability of bank shareholders. This provision is a constant incentive to Canadian bankers to exercise care in their commitments. It is also a buffer to depositors in case of difficulties in a Canadian bank. Depositors in Canadian banks are protected not only to the extent of the capital and reserve of these great institutions, but have the double liability provision as an added margin of safety. In the case of the Home Bank, for instance, most of this double liability has already been collected.

One Central Control

Uniformity and simplicity of supervision of Canadian banks is secured by centralized legislative control. The Dominion Government is the sole legislative overseer of Canadian banks. Thus, in addition to the shareholders' inspection there is the Dominion inspection of banking in Canada. In the United States, there are state banks as well as national banks, and this so decentralizes control that there is little uniformity. Thus, an unsound state of affairs in banking in one state can prejudice banking in other states. This system in the United States also confines branch systems to one territory, automatically preventing diversification of risks in some cases.

The superior banking system in Canada has built great public confidence in our banks. This is necessary in any successful banking system. The opposite condition has prevailed in the United States, and it was this which forced the recent country-wide banking restrictions. The differences in the attitude of the people of the United States and Canada are well illustrated by a comparison of money in circulation. Hoarding of funds withdrawn from banks increased the outstanding note issues in the United States from 4.5 billion dollars in January, 1930, to 6.7 billions at the end of February, 1933. In Canada the money actually in the hands of the public dropped from 172 millions in January, 1930 to 144 millions at Dec. 31, 1932. The increase in money actually in the hands of the public in the United States would probably be proportionately greater than stated above, since a substantial part of the sums mentioned is held by banks.

No Security Affiliates

Security affiliates of banks are not allowed under the Canadian Bank Act. Such institutions have caused much sorrow to some United States banks, although at times they have made big profits. Canadian banks are specifically forbidden to engage in business generally, except the business of banking.

As a result of the inherent weaknesses of the United States system of banking, morality of banks has been high. This indicated in the following table:

Number of Banks Operating in the United States

Dec. 31:	Total Banks	Fed. Reserve Member Banks	Non Member Banks
1914	26,765	7,589	19,176
1921	30,812	9,783	21,029
1932	18,794	6,904	11,890

Liquidity Important

High liquidity of Canadian banks is a great factor of strength in contrast to the frozen position of many United States banks. It has been shown above how some of this frozen position was created in the United States. Its meaning is important. Any banking system can withstand a certain amount of freezing of assets. In fact this is characteristic of banking. But if withdrawals of deposits take place in any substantial proportion, frozen assets are sure to bring failures. This is what has happened in the United States.

Fortunately Canadian banks are neither in this frozen position nor have they had panicky withdrawals of deposits. Even if such withdrawals were to occur here, the great liquidity of the banks would carry them through with the aid of Canada's unique Finance Act. Under this legislation Canadian banks would probably be able to satisfy any demand for currency without straining to sell securities. One of the chief values of the Finance Act in an emergency would be that it could prevent demoralization of security markets in Canada. In all, the Canadian banking system is remarkably capable of withstanding pressure.

United States is off the Gold Standard

United States went off the gold standard when internal issue of gold for notes was stopped and exports of the metal prohibited. While this condition may be temporary, it is the same as that prevailing in Canada which is not on the gold standard.

Strictly speaking the gold standard applies only to the currency of a country. To be on it, there must be (1) unlimited acceptance of gold as legal tender, (2) unlimited payment for gold at a fixed price for minting, (3) unlimited issue of gold in exchange for notes, (4) unrestricted exportation and importation of gold. The last three have all been violated in Canada and the United States.

The chief value of the gold standard is to stabilize the international prices of currencies of countries using the standard. This removes the fluctuating exchange hazard from foreign trade.

Banks' Gov't Securities Up to Record of 568 Million

Increase of $5,837,043 in Government Bond Holdings Shown at Jan. 31—Current Loans Dropped Over 18 Million—Call Loans Also Down

Investments of Canadian chartered banks in Government securities had reached a record high of over 568 millions at Jan. 31, 1933. There was an increase of $5,837,043 during the month, according to the monthly statement of the banks issued by the Department of Finance, Ottawa.

Reflecting continuation of the inactivity of general business, current loans registered a decline of $18,283,420 in January. There was also a decline of 7.7 millions in call loans abroad, and a decline of $3,205,534 in Canadian call loans. Amounts due from foreign banks dropped sharply during January, being down almost 19 millions in the month. Provincial loans were down over five millions in January, but municipal loans were up three millions.

Credit Index Down

These factors, coupled with a decline of $14,866,927 in deposits, were responsible for a drop in The Financial Post credit index from 57.9 to 57.2 per cent in January. The index is the ratio of call and current loans in Canada to total savings and demand deposits in the Dominion.

The decrease in total deposits was entirely due to a drop of over 20 millions in non-interest bearing balances. Interest bearing deposits rose more than five millions in January.

A reduction of $10,205,832 in circulation is shown on the liabilities side of the January statement. There was also a drop of $10,244,000 in advance from the Dominion Government under the Finance Act. Deposits of the Dominion Government were down $15,598,785.

Foreign deposits were more than 20 millions higher than at the same time in 1932, but showed a decline of about 12.5 millions during January. As a result of the preponderance of decreases on both sides of the statement, total liabilities were down by over 69 millions, and total assets were 68 millions lower, at the end of January than a month earlier. Compared with January, 1932, total assets were down 117 millions, compared with a reduction of 110 millions for total liabilities.

The statement for Jan. 31, 1933, as drawn up by The Financial Post from the figures published by the Department of Finance, is as follows:

ASSETS

Immediately Available Liquid Resources

	Jan., 1933 $	Dec., 1932 $	Change $	Jan., 1932 $	Change $
Specie	54,256,224	53,263,094	+ 993,130	64,911,161	— 10,654,937
Dom. notes	146,339,166	153,181,279	— 6,842,113	131,107,095	+ 15,232,071
Gold reserve	18,881,732	19,881,732	— 1,000,000	21,581,732	— 2,700,000
Foreign banks	93,780,638	112,686,908	— 18,906,270	97,934,088	— 4,153,450
Foreign curr.	17,944,991	17,941,291	+ 3,700	13,643,419	+ 4,301,572
Govt. secs.	568,196,456	562,359,413	+ 5,837,043	467,558,278	+100,638,178
Call loans ab'd	83,770,260	91,491,603	— 7,721,343	65,917,084	+ 17,853,176
	983,169,467	1,010,805,320	— 27,635,853	862,652,857	+120,516,610

Loans and Securities Other Than Those of Canadian Government

	Jan., 1933 $	Dec., 1932 $	Change $	Jan., 1932 $	Change $
Public secs.	168,050,375	166,958,673	+ 1,091,702	144,874,846	+ 23,175,529
Railway secs.	47,967,688	48,933,929	— 966,241	61,285,785	— 13,318,097
Can. call loans	99,998,855	103,204,389	— 3,205,534	131,174,742	— 31,175,887
Current loans	945,740,389	964,023,809	— 18,283,420	1,070,718,470	—124,978,081
Loans abroad	151,033,947	151,661,262	— 627,315	189,726,460	— 38,692,513
Prov. loans	23,041,425	28,273,553	— 5,232,128	43,442,461	— 20,401,036
Mun. loans	114,645,673	111,569,810	+ 3,075,863	132,864,154	— 18,218,481
	1,550,478,352	1,574,625,425	— 24,147,073	1,774,086,918	—223,608,566

Other Assets

	Jan., 1933 $	Dec., 1932 $	Change $	Jan., 1932 $	Change $
Non-curr. loans	13,530,406	13,311,964	+ 218,442	10,686,746	+ 2,843,660
Real estate	7,580,961	7,481,430	+ 99,531	6,580,375	+ 1,000,586
Mortgages	6,463,813	6,387,717	+ 76,096	6,293,232	+ 170,581
Premises	79,232,160	78,702,197	+ 529,963	79,913,747	— 681,587
Lets. of credit	40,244,749	42,634,870	— 2,390,121	51,353,335	— 11,108,586
Loans to comp.	13,063,406	13,170,620	— 107,214	12,748,323	+ 315,083
Other assets	1,523,016	1,489,642	+ 33,374	1,796,267	— 273,251
	161,638,511	163,178,440	— 1,539,929	169,372,025	— 7,733,514
Total	2,695,286,330	2,748,609,185	— 53,322,855	2,806,111,800	—110,825,470
Note cir. dep.	6,605,675	6,602,452	+ 3,223	6,822,186	— 216,511
Int. bank bal.	81,928,746	96,875,276	— 14,946,530	87,991,808	— 6,063,062
Gross	2,783,820,751	2,852,086,913	— 68,266,162	2,900,925,794	—117,105,043

LIABILITIES

To the Public

	Jan., 1933 $	Dec., 1932 $	Change $	Jan., 1932 $	Change $
Circulation	116,868,992	127,074,824	— 10,205,832	133,673,369	— 16,804,377
Dom. Govt.	37,508,922	53,107,707	— 15,598,785	94,650,375	— 57,141,453
Prov. Govt.	20,636,434	18,933,416	+ 1,703,018	20,577,890	+ 58,544
Govt. advances	46,744,000	56,988,000	— 10,244,000	43,000,000	+ 3,744,000

Deposits* by Public

	Jan., 1933 $	Dec., 1932 $	Change $	Jan., 1932 $	Change $
Demand dep.	445,991,023	466,212,767	— 20,221,744	506,942,776	— 60,951,753
Savings dep.	1,382,874,932	1,377,520,115	+ 5,354,817	1,368,278,419	+ 14,596,513
Total	1,828,865,955	1,843,732,882	— 14,866,927	1,875,221,195	— 46,355,240
Foreign dep.	316,227,059	328,725,094	— 12,498,035	296,184,569	+ 20,042,490

Due to Banks Abroad, Etc.

	Jan., 1933 $	Dec., 1932 $	Change $	Jan., 1932 $	Change $
Un. Kingdom	4,899,349	7,426,767	— 2,527,418	3,678,573	+ 1,220,776
Foreign	40,723,826	41,371,955	— 648,129	41,856,537	— 1,132,711
Bills payable	515,809	627,187	— 111,378	3,110,074	— 2,594,265
Lets. of credit	40,244,749	42,634,870	— 2,390,121	51,353,335	— 11,108,586
Other liab.	2,558,750	2,609,076	— 50,326	2,792,455	— 233,705
Public liab.	2,455,793,845	2,523,281,778	— 67,487,933	2,566,098,372	—110,304,527
Due bet. banks	9,869,812	12,319,732	— 2,449,920	9,950,161	— 80,349

Liability to Shareholders

	Jan., 1933 $	Dec., 1932 $	Change $	Jan., 1932 $	Change $
Dividends	1,156,948	706,013	+ 450,935	1,344,105	— 187,157
Reserve	162,000,000	162,000,000	....	162,000,000	....
Capital	144,500,000	144,500,000	....	144,500,000	....
Gross	2,773,320,605	2,842,757,523	— 69,436,918	2,883,892,638	—110,572,033
Credit index	57.2%	57.9%	0.7%	64.1%	6.9%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

Increase YOUR Sales . . . with sound credit

A connection whereby this strong, reliable finance company relieves you of all details of credit and collections will definitely save you TIME . . . and save you MONEY.

Through our co-operation you not only secure sales that would NOT materialize unless credit were extended . . . but you also avoid tying up valuable working capital in long-term receivables.

The personnel of our 14 branches throughout Canada is composed of men of long experience in deferred payment banking. They will be glad to explain in detail our plan which covers more than 50 different commodities.

INDUSTRIAL ACCEPTANCE CORPORATION LIMITED

A National Service—A Canadian Company

Toronto, Montreal, Quebec, Ottawa, Hamilton, Windsor, London, Halifax, St. John, Winnipeg, Calgary, Vancouver, Edmonton, Regina.

Branch Closings Effected Without Loss of Service

Canadian banks are closing uneconomic branches wherever possible without loss of banking service to the community. Due to the widespread branch systems of the banks this is possible through friendly cooperation to the benefit of the banks without impairing service.

The plan which has been followed in most cases is for a bank to close an uneconomic branch in a small centre, turning the business over to the local branch of another bank. In return, the second bank closes an uneconomic branch in another centre and turns over the business to the first bank.

As an example the Bank of Montreal has recently closed its Tavistock, Ont., branch, turning over the business to the Tavistock branch of the Canadian Bank of Commerce. In return the Canadian Bank of Commerce has closed its Ingersoll, Ont., branch, giving the business to the Ingersoll branch of the Bank of Montreal. The Imperial Bank of Canada and Banque Canadienne Nationale and other banks have also co-operated in this friendly manner to give necessary banking service, and at the same time eliminate uneconomic units.

Add to Forest Reserves

Large new areas have recently been added to British Columbia's forest reserve on which the timber supplies of the future will be grown. One of these, comprising a triangle of 696 square miles, bounded on the south by the Fraser River, on the west by Stave River, and on the east by Harrison Lake will be known as the Douglas reserve, while 254 square miles of land have been added to the Fly Hill reserve near Kamloops.

Weekly Bank Clearings

	Mar. 2 1933 $	Change year ago %	Feb. 23 1933 $
Toronto	83,052,425	+0.5	68,460,538
Hamilton	3,012,078	—24.5	2,788,926
London	2,279,464	—26.3	1,993,195
Windsor	2,358,141	+8.2	1,845,862
Kitchener	798,186	—4.9	756,982
Brantford	548,626	—30.8	583,869
Peterboro'	449,978	—16.5	431,588
Kingston	421,266	—25.9	368,907
Sudbury	412,014	—29.1	344,483
Chatham	388,943	—16.1	344,408
Sarnia	313,149	—14.4	327,167
Quebec	3,076,208	—27.7	3,001,796
Montreal	70,117,209	—19.1	61,684,492
Ottawa	3,276,934	—38.6	3,428,867
Moncton	644,467	—20.5	561,803
Ft. William	393,725	—31.3	408,079
Winnipeg	25,246,785	—31.6	21,730,620
Brandon	233,459	—35.4	216,472
Saskatoon	974,334	—36.0	927,145
Regina	2,211,434	—34.0	2,228,380
Pr. Albert	220,131	—32.0	177,874
Calgary	4,174,620	—14.5	4,069,183
Medic. Hat	154,140	—17.9	128,941
Lethbridge	308,748	—5.3	218,399
N. W'minster	389,245	—22.5	315,190
Vancouver	11,489,048	—22.8	10,258,100
Victoria	1,181,981	—23.4	1,072,497

Foreign Exchange

FOREIGN exchange trading in Canadian dollars became more difficult in the week ended March 6 because of the closing of banking facilities in the United States. As quotations for most exchanges in terms of Canadian dollars are ordinarily determined by the New York exchange market, the United States closings restricted currency dealings in Canada.

Such quotations as prevailed, after the U. S. banking moratoria became country wide, were largely nominal. United States dollars have continued to sell at a premium in Canada but the market is only for actual currency, not drafts, and the quotations do not, therefore, indicate what may happen when exchange trading is recommenced. Before the closing of New York exchange facilities, Canadian dollars had advanced from 83⅜ to 86⅜ cents in the United States.

* * *

EXCHANGE authorities are of the opinion that a premium will exist for United States dollars in Canada when exchange operations in drafts recommence. They base their conclusion on the balance of international payments which is in favor of the United States over a period. Thus, the departure of the United States from the gold standard does not necessarily mean that Canadian dollars would get back to par in that country. The gold standard was abandoned by the United States when exports and payments of the metal were banned. This may only be a temporary condition, but a gold standard cannot be maintained in the United States unless currency can be brought back into the banking system and withdrawals of gold from banks stopped.

FOREIGN EXCHANGE

New York Funds

	High (Premium) %	Low %	Last Year High %	Low (Premium) %
Feb. 28	20	19 3-8	13 1-8	12 7-8
Mar. 1	20 1-8	19 1-4	13 1-8	12 3-4
Mar. 2	20 1-4	18 5-8	13 1-8	12 7-8
Mar. 3	19 1-8	15 7-8	12 7-8	12 7-16
Mar. 4	.....	.....	12 1-2	12
Mar. 6			12	11 3-8

STERLING, FRANCS AND LIRE

Close: Demand in New York

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.526
Feb. 28	3.41 7-8	0.394 13-16	0.511 5-8
Mar. 1	3.41	0.394 13-16	0.511
Mar. 2	3.46 1-8	0.394 5-8	0.511 1-2
Mar. 3	3.45 7-8	0.394 13-16	0.512
Mar. 4	....	....	....
Mar. 6	....	....	....

Close: Demand in Toronto

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.0526
Feb. 28	4.09	0.0472 3-4	0.0612 1-4
Mar. 1	4.09 1-4	0.0473 3-4	0.0614
Mar. 2	4.11 1-2	0.0468 3-4	0.0608 1-4
Mar. 3	4.01 1-2	0.0458 3-4	0.0595 3-4
Mar. 4	....	....	....
Mar. 6	....	....	....

	Reichsmarks	Belga	Yen
Gold par	$0.238	$0.139	$0.498
Feb. 28	0.2864 1-2	0.1681	0.2467
Mar. 1	0.2867 1-2	0.1686	0.2475
Mar. 2	0.2840	0.1670	0.2464
Mar. 3	0.2771	0.1636	0.2427
Mar. 4	....	....	....
Mar. 6	....	....	....

Position of Chartered Banks of Canada as of January 31, 1933, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation $	Balance Due to Dominion Government $	Advances under Finance Act $	Balances Due to Provincial Governments $	Demand Deposits in Canada $	Savings Deposits in Canada $	Deposits Elsewhere $	Bal. due to other banks in Canada $	Due to Banks in U.K. $	Due to Banks Elsewhere $	Bills Payable $	Letters of Credit outstanding $	Other Liabilities $	Dividends Declared and unpaid $	Reserve Fund $	Capital Paid Up $	Total Liabilities $	Capital Authorised $	Capital Subscribed $	%Last dividend %	*Loans to Directors and firms of which they are partners $	Average gold and Coin Held $	Average Dominion Notes Held $	Greatest amount of notes in Circ. $
Montreal	30,197,641	13,755,219	9,000,000	3,831,378	125,731,452	394,026,317	67,904,160	2,593,528	1,076,256	5,910,591	156,053	5,932,962	1,568,317	911,366	38,000,000	36,000,000	736,625,243	50,000,000	36,000,000	10	2,639,481	18,054,129	64,549,912	32,614,193
Nova Scotia	10,220,654	2,601,961	3,214,000	735,653	26,705,426	133,071,918	34,438,780	1,722,232	105,117	1,662,093	120,833	4,895,068	252,390	15,201	24,000,000	12,000,000	255,762,327	15,000,000	12,000,000	14	2,823,410	10,003,478	13,645,632	11,011,335
Toronto	5,261,114	1,552,747	1,500,000	1,289,185	19,171,063	61,105,955		679,208	122,563	1,079,641		596,942	153,253	2,238	9,000,000	6,000,000	107,513,915	10,000,000	6,000,000	10	979,495	393,400	7,616,000	5,794,424
Provinciale	3,131,168	625,606	1,100,000	44,474	3,427,503	31,253,171	....	....	....	33,309	....	13,105	630	5,342	1,500,000	4,000,000	45,134,313	5,000,000	4,000,000	7	770,716	248,973	432,782	3,528,788
Commerce	21,011,448	6,404,900	7,000,000	3,023,806	98,762,739	288,462,798	44,841,943	1,773,436	1,125,711	8,564,212	428	11,072,897	....	14,024	30,000,000	30,000,000	552,058,347	50,000,000	30,000,000	10	6,393,563	10,618,000	24,502,000	22,811,924
Royal	26,552,010	7,141,976	20,000,000	7,452,504	111,571,139	259,192,372	166,015,280	803,220	550,200	19,971,839	238,495	15,473,979	339,268	22,641	35,000,000	35,000,000	705,324,930	50,000,000	35,000,000	10	3,021,062	12,627,406	13,463,661	28,937,990
Dominion	5,474,635	1,507,756	1,456,000	846,779	22,617,278	61,236,660	1,740,023	467,323	116,929	862,180	....	1,343,200	244,845	3,195	9,000,000	7,000,000	113,916,806	10,000,000	7,000,000	10	1,325,247	642,000	9,371,000	5,832,230
Nationale	7,889,659	1,672,724	1 800,000	1,157,861	15,779,812	79,908,084	1,286,873	630,191	14,954	277,602	....	199,690	....	5,924	7,000,000	7,000,000	124,623,378	10,000,000	7,000,000	10	449,450	997,031	1,482,943	8,950,959
Imperial	6,894,638	1,737,538	1,590,000	2,104,794	21,297,205	73,802,828	....	1,151,887	193,348	1,219 754	....	666,400	....	177,017	8,000,000	7,000,000	125,835,413	10,000,000	7,000,000	10	424,293	483,892	4,322,789	7,555,853
Barclays (Canada)	236,025	508,495	84,000	150,000	927,406	814,829	....	48,787	1,594,271	1,142,605	....	19,511	....	....	500,000	500,000	6,525,933	500,000	500,000	10	....	11,221	117,310	251,745
Total	116,868,992	37,508,922	46,744,000	20,636,434	445,991,023	1,382,874,932	316,227,059	9,869,812	4,899,349	40,723,826	515,809	40,244,749	2,558,703	1,156,948	162,000,000	144,500 000	2,773,320,605	210,500,000	144,500,000	......	18,826,717	54,079,530	139,504,029	127,289,441

* And loans for which they are guarantors.

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin $	Dominion Notes $	Notes of other banks $	United States and other foreign currencies $	Cheques on other banks $	Balances due from other banks in Canada $	Due from banks in U.K. $	Due from banks elsewhere $	Government securities $	Canadian municipal British and foreign securities $	Railway and other bonds and Stocks $	Call loans in Canada $	Call loans elsewhere $	Other current loans in Canada $	Other current Loans elsewhere $	Loans to provincial governments $	Loans to municipalities $	Non-current loans $	Real estate other than premises $	Mortgages on real estate $	Bank Premises $	Letters of Credit $	Deposit for note circulation $	In central gold reserves $	Shares of and loans to controlled companies $	Other assets $	Total assets $
Montreal*	18,206,846	59,261,124	2,223,689	295,022	17,030,235	1,770	2,427,531	19,503,718	19,752,120	59,350,058	7,131,033	3,936,491	18,955,997	219,588,023	16,851,077	7,204,704	35,204,395	4,227,414	518,961	1,248,564	14,500,000	5,962,962	1,542,872	3,000,000	219,121	61,473	738,205,210
Nova Scotia	9,986,047	13,640,986	760,646	1,394,446	5,793,581	....	567,843	4,956,496	47,089,557	20,468,907	7,834,194	13,276,624	2,327,565	87,738,578	13,376,416	2,940	8,973,662	799,849	....	110,218	8,047,255	4,896,063	568,910	1,250,000	2,698,909	105,387	256,665,089
Toronto	404,234	7,493,830	403,725	20,178	4,338,089	....	1 868,046	1,082,857	29,606,238	7,473,629	1,498,777	4,427,035		39,385,907		....	4,610,792	411,687	....	62,962	3,735,295	596,942	306,603	630,866		....	108,357,700
Provinciale	266,391	374,736	353,370	16,794	1,221,038	1,468,204	2,098	80,970	8,954,562	4,562,824	3,394,857	4,576,244	....	15,383,539	....		1,185,945	154,576	594,967	382,116	2,171,364	13,105	197,600	....	....	206,291	45,561,599
Commerce†	10,409,068	26,661,287	1,543,610	672,016	12,643,176	3,492	626,315	14,328,385	99,098,238	35,960,282	12,610,541	28,570,870	25,938,745	179,137,343	16,363,384	8,233,408	33,811,174	2,870,379	2,589,979	2,661,522	15,117,164	11,072,897	1,250,000	8,000,000	3,949,714	300,773	554,428,772
Royal‡	12,796,648	24,404,805	2,208,680	15,442,348	17,675,579	6,008	1,777,611	39,470,451	87,525,387	21,462,207	9,803,082	26,965,246	35,233,972	244,894,315	103,648,311	2,484,927	11,059,942	4,017,289	2,424,800	867,335	17,195,963	15,473,979	1,600,000	3,000,000	6,195,662	500,953	707,635,510
Dominion	651,283	7,373,245	554,155	40,970	2,834,189	....	142,253	1,724,023	23,960,336	4,559,407	2,627,261	7,041,805	1,313,981	50,072,699	734,450	....	2,118,985	393,896	70,981	25,609	5,980,154	1,343,200	324,825	400,000	....	143,663	114,431,379
Nationale§	1,018,234	1,624,796	640,375	46,471	2,900,496	344,662	24,478	850,766	25,304,378	8,456,979	3,375,386	5,661,982	....	53,641,626	60,309	2,590,369	8,876,449	324,519	1,211,837	673,772	6,030,101	199,690	356,773	1,000,000	....	72,067	125,296,526
Imperial	505,683	5,331,353	532,890	15,982	4,205,090	722,723	771,876	1,091,893	26,487,583	5,661,287	161,707	5,531,158	....	54,618,230	....	2,525,077	8,804,329	300,179	169,436	431,715	6,004,864	666,400	433,727	1,600,866	....	132,318	126,706,377
Barclays (Canada)	11,790	173,004	9,085	764	170,969	1,334,220	2,281,574	201,453	418,057	94,795	30,850	11,400	....	1,280,129	....	....	....	30,618	....	....	450,000	19,511	14,365	....	....	....	6,532,589
Total	54,256,224	146,339,166	9,230,225	17,944,991	68,817,442	3,881,079	10,489,625	83,291,013	568,196,456	168,050,375	47,967,688	99,998,855	83,770,260	945,740,389	151,033,947	23,041,425	114,645,673	13,530,406	7,580,961	6,463,813	79,232,160	40,244,749	6,605,675	18,881,732	13,063,406	1,522,925	2,783,820,751

*Of this deposit $11,081,732 is in gold coin; the balance is in Dominion notes.

*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The figures of The Canadian Bank of Commerce (California) are incorporated in the above statement.—Footnote to Canadian Bank of Commerce return.

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above statement.—Footnote to Royal Bank return.

§The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale, are included in the above return.—Footnote to Banque Canadienne Nationale return.

DIVIDEND NOTICES

DIVIDEND NUMBER 238

Hollinger Consolidated Gold Mines, Limited

A regular dividend of 1% has been declared on the Capital Stock of the Company payable on the 25th day of March, 1933, on which date cheques will be mailed to shareholders of record at the close of business on the 10th day of March, 1933.

Dated the 3rd day of March, 1933.

I. McIVOR,
Assistant-Treasurer.

Penmans Limited

DIVIDEND NOTICE

NOTICE is hereby given that the following Dividends have been declared for the quarter ending the 30th day of April, 1933.

On the Preferred Stock, one and one-half per cent. (1½%), payable on the 1st day of May to Shareholders of record of the 21st day of April, 1933.

On the Common Stock, Seventy-five Cents (75c) per share, payable on the 15th day of May to Shareholders of record of the 5th day of May, 1933.

By Order of the Board.

C. B. ROBINSON,
Secretary-Treasurer.

Montreal, March 6, 1933.

McCOLL-FRONTENAC OIL COMPANY LIMITED

Preferred Dividend No. 21

NOTICE IS HEREBY GIVEN that a Dividend of $1.50 per share, being at the rate of 6 per cent per annum, has been declared on the 6 per cent Cumulative Preferred Stock of McColl-Frontenac Oil Company, Limited, for the Quarter ending March 31, 1933, payable April 15, 1933, to Shareholders of record at the close of business on March 31, 1933.

By Order of the Board.

FRED HUNT,
Secretary.

February 28, 1933.

Dominion Textile Co. Limited

Notice of Preferred Stock Dividend

A DIVIDEND of One and Three-Quarter per cent. (1¾%) has been declared on the Preferred Stock of DOMINION TEXTILE COMPANY, Limited, for the quarter ending March 31st, 1933, payable April 15th, 1933, to shareholders of record March 31st, 1933.

By order of the Board,

JAS. A. FISH,
Acting Secretary.

Montreal, February 23rd, 1933.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

SOUTHERN CANADA POWER COMPANY LIMITED

Preferred Dividend No. 53

A DIVIDEND of one and one-half per cent (1½%) on the PREFERRED STOCK of SOUTHERN CANADA POWER COMPANY LIMITED has been declared for the quarter ending March 31st, 1933, payable April 15th, 1933, to shareholders of record at the close of business on March 20th, 1933.

By order of the Board,

L. C. HASKELL,
Secretary

Montreal, February 24th, 1933.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

Canada Northern Power Corporation, Limited

Preferred Dividend No. 33

NOTICE is hereby given that a Dividend of 1¾% (being at the rate of 7% per annum) has been declared on the 7% Cumulative Preferred Stock of CANADA NORTHERN POWER CORPORATION LIMITED for the quarter ending March 31st, 1933, payable April 15th, 1933, to shareholders of record at the close of business on March 31st, 1933.

By order of the Board.

L. C. HASKELL, Secretary.

Montreal, February 28th, 1933

The Montreal City & District Savings Bank

Dividend Notice

A dividend of three dollars per share of the paid-up Capital Stock of this Bank has been declared for the current quarter, payable on and after Saturday, the first day of April next, to shareholders of record Wednesday, the fifteenth day of March next, at three o'clock p.m.

By order of the Board,

T. TAGGART SMYTH,
General Manager.

Montreal, February 27th, 1933.

Dominion Glass Company Limited

NOTICE OF DIVIDENDS

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of March, 1933.

Notice is also hereby given that a dividend of one and one-quarter per cent (1¼%) has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of March, 1933.

The above Dividends are payable on Saturday, the 1st day of April, 1933, to Shareholders of record at the close of business Wednesday, the 15th day of March, 1933.

By Order of the Board.

MERVYN OFFER
Secretary.

Montreal, 28th February, 1933.

Canada Permanent Mortgage Corporation

Quarterly Dividend

Notice is hereby given that a Dividend of TWO and ONE-HALF PER CENT for the current quarter, being at the rate of

TEN PER CENT PER ANNUM

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

SATURDAY, THE FIRST DAY OF APRIL

next, to Shareholders of record at the close of business on the Fifteenth day of March, 1933.

By order of the Board.

WALTER F. WATKINS,
Secretary.

Toronto, February 22nd, 1933.

Balance Ordinary Items, Fund Rails and Relief, Adequate Thinks Ottawa

Promoted

J. I. SIMPSON

Formerly general manager of Dunlop Tire and Rubber Goods Co., Ltd., who was appointed vice-president and general manager of the company at the annual meeting held recently.

DIVIDEND NOTICES

The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid up Capital Stock of this Institution has been declared for the quarter ending 31st March, 1933, being at the rate of ten per cent per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Saturday, the 1st day of April, 1933, to shareholders of record of the 20th March, 1933.

By Order of the Board.

DUDLEY DAWSON,
General Manager.

Toronto, 16th February, 1933.

General Trust of Canada

Dividend No. 16

A dividend of 1½%, being at the rate of 6% per annum, for the quarter ending March 31st, 1933, on the preference stock of the Company, has been declared, payable April 1st, 1933, to shareholders of record on March 25th, 1933, at noon.

RENE MORIN,
General Manager.

Montreal, March 2nd, 1933.

Associated Breweries of Canada Limited

DIVIDEND NOTICE

Notice is hereby given that a quarterly dividend (No. 18) of 1¾% upon the outstanding Preference Shares of the Company has been declared, the said dividend to be payable on or after the first day of April, A. D. 1933, to Shareholders of record at the close of business on the 15th day of March, 1933.

By order of the Board.

J. C. WALFORD,
Secretary-Treasurer.

Calgary, Alberta.
February 28th, 1933.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given, that a Dividend of Three per cent, being at the rate of Twelve per cent per annum, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after

1st April, 1933,

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board,

WALTER GILLESPIE,
Manager.

DIVIDEND NOTICE

Canadian General Electric Company, Limited

Preference Dividend No. 92

Notice is hereby given that a Dividend of one and three-quarters per cent for the quarter ending the 31st day of March, 1933, being at the rate of seven per cent per annum, has been declared on the Preference Stock of the Company.

Common Dividend No. 113

Notice is also hereby given that a Dividend of $1.00 per share for the quarter ending the 31st day of March, 1933, being at the rate of eight per cent per annum upon the par value of the stock, has been declared on the Common Stock of the Company.

The above dividends are payable on the 1st day of April, 1933, to shareholders of record at the close of business on the 15th day of March, 1933.

By Order of the Board,

W. H. NESBITT,
Secretary.

TORONTO 2, March 6, 1933.

SUPERTEST Petroleum Corporation Limited

NOTICE OF DIVIDENDS

"A" Preferred

A quarterly dividend at the rate of 7% per annum on the Class "A" Preferred Stock of this Corporation for the quarter ending March 31st, 1933, has been declared; payable April 1st, 1933, to shareholders on record at the close of business on March 15th, 1933.

"B" Preferred

A quarterly dividend at the rate of 6% per annum on the Class "B" Preferred Stock of this Corporation for the quarter ending March 31st, 1933, has been declared; payable April 1st, 1933, to shareholders on record at the close of business on March 15th, 1933.

Common and Ordinary Shares

The Board of Directors has declared a quarterly dividend of .25c per share on the Common and Ordinary stock of this Corporation for the quarter ending March 31st, 1933, payable April 1st, 1933, to shareholders on record at the close of business on March 15th, 1933.

Share Warrants

Share Warrant Holders will present coupons, serial number 23, to the Canadian Bank of Commerce, London, Ontario, and Branches in Ontario and Quebec, on and after April 1st, 1933, where payment will be made at par.

By order of the Board.

JAMES D. GOOD,
Secretary-Treasurer.

London, Ontario, March 3rd, 1933.

Metal Prices

London—March 7.
(Long Ton).
Copper: Electrolytic spot, £31; future, £32.
Standard spot, £27 15s; future, £28.
Tin: Spot, £146 17s 6d; future, £147 10s.
Lead: Spot, £10 10s; future, £10 15s.
Zinc: Spot, £14 7s 6d; future, £14 10s.
Silver: 17⅛d per ounce.

Social Danger Seen in Drastic Budget-Balancing

AVER CREDIT SOUND

Canada Has Not Reached Borrowing Limit Yet, Thinks Official Ottawa

By Staff Editor

OTTAWA.—No balanced budget programme will be presented for 1933-1934 when the minister of finance makes his annual financial address. But there will be some attempt to convince the public that the Government understands the seriousness of the country's financial position; that it hopes in time to attain a balanced budget and that ordinary measures of internal departmental economy are being pressed to the limit. Internal economy committees have really done excellent work in cutting out many wastes in different offices.

There will be heavy new taxation in a desperate effort to narrow the spread between income and outgo. Very definite surprises in regard to taxation may be looked for, including one or more new taxes that have not previously been levied by the Canadian Government.

Consider Credit Sound

Speaking generally, Ottawa does not consider that there is any real menace to the country's credit position in the fact that the country is borrowing to meet government railway deficits and relief charges and that it also must borrow to meet a deficit on ordinary account in the past year. It is felt in government circles that so long as the country plans definitely this year to meet all ordinary expenditures out of revenues investors will absorb bonds to pay the special railway and relief deficits. Recently three important United States publications have surveyed Canada's credit position and pronounced it sound.

Ottawa admits that the budget should be balanced, that it must be balanced before there can be stimulus to business confidence and before the country's credit will be adequately safeguarded. But between the obvious dangers of continuing unbalanced budgets and the intangible dangers from curtailment in expenditures the Government chooses the former as the lesser of the two. The argument runs as follows:

"To balance the budget would require drastic action imperilling the social stability of the country. We would have to make cuts in certain expenditures that are essential to preserve the political unity of the country.

Need Veterans' Support

"If we cut relief expenditures too much we give cause for radical agitation. We could for example write something off the war pensions and still pay our veterans as much in purchasing power as they got a few years ago. But the soldiers are our first line of defense against revolutionary forces and we cannot take action that would drive any large number of them into the ranks of the discontented.

"We cannot properly contribute to deflation by further wage cuts or by closing up governmental departments in a way that would add to the total of unemployed. It may be cheaper to put a civil servant on relief than to keep him on the payroll, but every man thrown into the breadline imperils the country's political stability. Our first job is to save the State and we will not do that if we take the action that would be necessary to cut $100,000,000 a year off governmental expenditures.

"If we see evidence that this policy of compromise between the fullest measures of economy that could be applied and the necessity of extending the aid of the state to those who are victims of the depression and potential discontent is in any way impairing our credit position we will not hesitate to invoke drastic policies in which case governmental expenses now that we have hesitated to touch will come under the axe."

Better Off Than Australia

Attention is directed by Ottawa to the fact that Canada's public debts—federal and provincial—are less than the combined commonwealth and state debts of Australia. These debts aggregate $700 per capita in Australia as against $500 in Canada.

It is again emphasized that there will be no forced conversion loan in Canada. Banks are expected shortly to announce a reduction in interest rate to 2½ per cent with other savings institutions falling into line with similar cuts. This would aid in refunding operations of the Government and a four per cent rate for Government borrowings this year is considered likely.

Foresee Approval of Rail Policy

Wall Street, when it settles down and gets a moment from its home problems to look at the Canadian position is expected by Ottawa to accept the railway legislation, implementing the Duff tribunal report, as a serious attempt to reduce the railway burden in Canada. The fact that one of the leading lights in United States railwaydom was a member of the commission that presented a unanimous report against amalgamation as the solution and in favor of co-operative competition, is considered as likely to weigh heavily with Wall Street.

NOTICES

WANTED—SALES OPPORTUNITY

Canadian, 39, seven years executive and sales experience, intimate knowledge Western Agriculture, seeks new connection with sound and progressive business house. Excellent references. Apply Box 108, The Financial Post, Toronto.

The Borden Company

ANNUAL MEETING

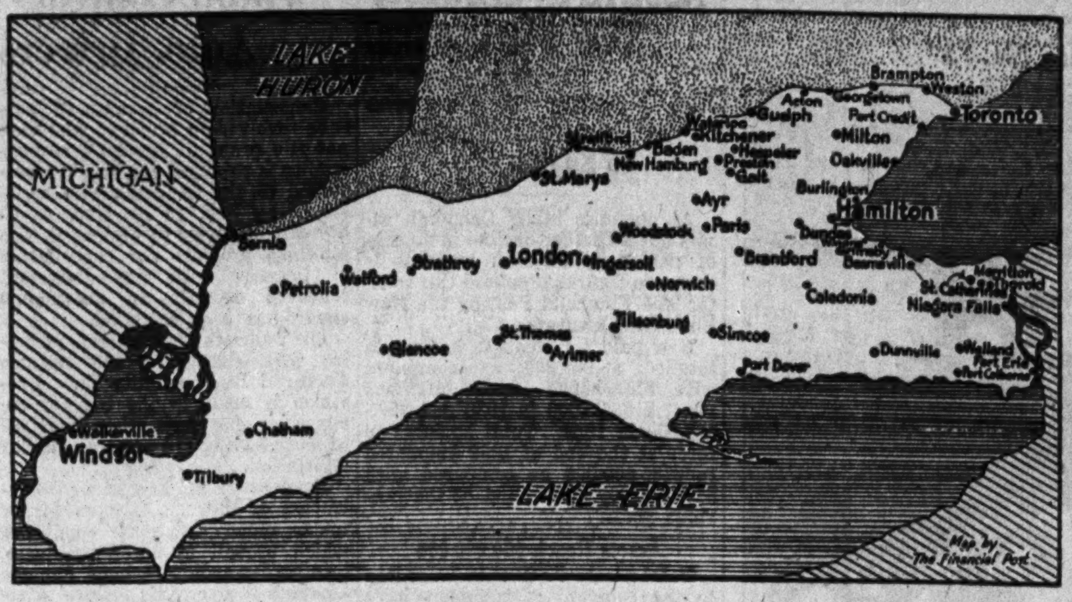
The annual meeting of stockholders will be held on Wednesday, April 19, 1933, at our registered office, 15 Exchange Place, Jersey City, N.J., at 10 o'clock a.m.

Only stockholders of record at the close of business on Tuesday, March 21, 1933, will be entitled to vote at said meeting, notwithstanding any subsequent transfer of stock.

The stock transfer books will not be closed.

THE BORDEN COMPANY,
WALTER H. REBMAN,
Secretary.

Where Rails Strike at Trucking Competition



These are the 54 points in the southern Ontario belt where Canadian railways have introduced complete door-to-door freight service at a flat rate to meet trucking competition. The plan eliminates in this area (if shippers desire) the official Canadian freight classifications and gives a single flat rate of so much per 100 lbs. for all types of merchandise however packed.

The rate includes free pick-up and delivery service at these points, which will be done by cartage and trucking firms hired by the railways.

In addition there are 66 other municipalities in the area in which the railways have no trucking facilities and which therefore will get partial free pick-up and/or delivery service on a flat rate.

NEWS FROM

Canada's Capitals

A week-by-week summary from Ottawa and the provincial capitals of legislative developments of interest to business.

Dominion Parliament

OTTAWA.—Highlights of the week in Dominion Parliament were:

Wednesday, March 1.—Premier Bennett announced steps being taken to prohibit exportation of arms and war supplies to the Far East. Amendment to Indian Act further considered.

Agricultural Committee—Enquiry into the spread in the price of milk between producer and consumer is launched. Evidence is taken regarding conditions in Montreal. W. W. Moore, secretary treasurer of the Montreal Milk Producers' Association, declares that chain store competition has demoralized the milk business in that city.

Thursday, March 2.—Unemployment and Farm Relief Act Extension Bill considered. Long debate brings no progress.

Friday, March 3.—Hon. Hugh Guthrie moved amendment to Penitentiary Act providing that penitentiary staffs (approximately 12,000 persons) be removed from control of Civil Service Commission and placed under direct jurisdiction of government. Hon. Alfred Duranleau announced government still considering legislation based upon the Gibb harbor report. Unemployment and Farm Relief Act Extension Bill further considered and the government moves amendment fixing maximum expenditure upon direct relief during the coming fiscal year at $20,000,000.

Monday, March 6—Dr. Murray MacLaren, minister of pensions, announces that amendments to the Pensions Act will be introduced this session. Premier Bennett announces that the government has no intention of setting up a national wheat-marketing board this year. The Commons approves a resolution endorsing a convention—signed by many countries at Paris in 1928—whereby the number of international fairs is limited and basic matters of their organization agreed upon. Rapid progress is made in estimates.

Tuesday, March 7—Hon. E. B. Ryckman, minister of National Revenue, announces that the United States dollar will be accepted at par for customs purposes during the bank holiday across the border. He announces also that the regulations compelling the valuation of British goods for duty purposes at $4.86 and the settlement of British purchases at $4.40 to the pound will not be revised at this time. Hon. R. J. Manion moved the second reading of the railway bill, announcing that the government would support the measure in principle. The debate on the bill occupied the rest of the day.

Senate—Senators gave second reading to the bill providing for a ten per cent cut in civil service salaries, and, also, to the bill reducing the salaries of judges, military personnel and the R.C.M.P.

Banking and Commerce Committee—The sub-committee reported that the question of the committee's jurisdiction to deal with interest rates must be disposed of. It was decided to request opinions, on this point, from the Federal department of justice and the attorney generals of the various provinces

Agricultural Committee—The enquiry into the milk situation at Montreal was continued.

Ontario

TORONTO, March 1.—Bill to force pedestrians on highway to carry lights sent to legal committee for further consideration. Report of Liquor Control Board shows sales down $10,000,000.

March 2.—Alliance of Hepburn and Nixon attacked by Conservatives.

March 3.—Reserves of Hydro-Electric Power Commission shown to be $65,000,000. Questions and answers took up session.

March 6.—City surtax bill withdrawn after being called class legislation and piracy. Bill would have allowed municipalities to levy a surtax on incomes over $10,000.

March 7.—Dr. J. L. Simpson, Liberal, defended Heyburn's alliance with Progressives.

Alberta

EDMONTON, Feb. 24.—Debate on question of provincial care of half-breeds occupied most of session.

Feb. 27.—Premier Brownlee denied charges that half-breeds were neglected. W. R. Howson, Liberal leader, moved a resolution calling for the Federal Government to establish a national bank.

Feb. 28.—Hon. George Hoadley, Minister of Health, tabled report of legislative committee on health. Chief finding is that adequate medical services can only be obtained by a contributory health insurance scheme.

March 1.—Edmonton charter changes before the House.

March 2.—Gasoline tax boosted one cent is chief item in provincial estimates bringing total tax to 6 cents. Surplus of $9,700 estimated for year. Controllable expenditure cut $1,701,734 from previous year. Salaries, highway maintenance, school and university grants cut. Revenue estimated at $15,500,000.

Manitoba

WINNIPEG, Feb. 27.—Premier Bracken introduced bill to authorize the province to issue bonds to obtain money for relief purposes in the event of the Dominion deciding not to make arrangements for a loan for this purpose.

Feb. 28.—Premier Bracken replied to charges that loans had already been made by the Federal Government for direct relief purposes. He said this was untrue.

March 1.—Bill for financing relief receives royal assent.

March 2.—Discussion on proposed cattle deal with Soviet. A. E. Foster proposed that the house go on record as favoring deal.

March 3.—Discussion on Soviet cattle deal continued. Col. R. H. Webb denounced proposed deal.

Saskatchewan

REGINA, Feb. 27.—Officials of Saskatchewan Wheat Pool urged need of conference of wheat-exporting countries.

Feb. 28.—H. A. Lilly, Conservative, charged that major oil companies were using discrimination in prices. Prices were higher than before provincial probe, he said.

March 1.—Minister of Highways introduced bill to control automobile drivers, based on Ontario's Financial Responsibility Law. (Particulars elsewhere in this issue).

March 2.—Dr. S. W. Arthur proposed linking of sterling and dollar and would refund Dominion loans at not more than 3 per cent. Supplementary estimates placed before the House. Relief accounts for over 99 per cent of total of $12,743,000. Net expenditure, including supplementary estimate, $27,102,501.

March 3.—Co-operative oil refineries and abbatoirs proposed by members. Farmer members call government's attention to need for market for wool and skins. Suggest province enter tanning business.

British Columbia

VANCOUVER, Feb. 23.—Legislature opened.

Feb. 24.—Debate on Speech from Throne.

Feb. 27.—C. C. Carson proposed nation-wide writing down of borrowing, federal, provincial and municipal. T. D. Pattullo, leader of the opposition, set forth his party plans.

Feb. 28.—Premier Tolmie replied to Mr. Pattullo's speech of previous day and outlined Conservative plans.

March 1.—Hon. R. W. Bruhn, Minister of Public Works, called for a union government. Only way out of difficulties, he said.

Budget Due Next Week

From Our Own Correspondent

OTTAWA. — While the budget has reached the final stage where it is being considered by the cabinet, the date of delivery is unlikely to fall earlier than the middle of next week. Many major increases in taxation have been forecast. The income tax is going to be tightened up. The rate of the tax is to be increased on higher incomes, and the amount of exemptions almost certainly will be reduced.

Much income believed to have escaped taxation hitherto—such as interest on bearer bonds—will be brought under the scrutiny of the tax collector. At the same time the budget will have to have regard to pursuit of tax-evaders. It is not the intention of the Government to compel persons to declare income not hitherto declared and then to trace this income back over an indefinite period of years. In whatever way the budget legislation is framed it may be taken that the government will be reasonable in this regard.

Tighten Up Sales Tax

The exemptions to the sales tax will be whittled down to a mere shadow of their present substance. How far the Government will go in abolishing exemptions will not be known until budget day, but present indications are that few will survive.

But in addition to these tax increases, there are well-founded rumors that the budget will contain real tax surprises. The cabinet is understood to be considering at least one and perhaps two entirely new sources of income—new taxes. The cabinet, of course, has reached no decision but the element of suspense will not be banished until the budget is on record. The nature of these new taxes is not easy to discover. There is reason to believe they are consumption taxes, such as a rather high direct tax on such commodities as sugar, tea, coffee.

New Door-to-Door Plan Revolutionary for Rails

For First Time on Continent Canadian Railroads Now Offer Door-to-Door Service at Flat Rate

This week saw the introduction in Ontario of one of the most revolutionary experiments yet made by steam railways on this continent to meet the inroads of trucking competition on merchandise and less than carload freight.

Effective March 6, Canadian National and Canadian Pacific Railways systems announced jointly the introduction into an experimental area in southern Ontario of complete "pick-up and delivery service" at a flat rate between some 50 different points with partial service for 200 additional points served by railways in that area. The area extends from Toronto to Windsor and north from Lake Ontario to the Canadian National line running from Toronto to Sarnia.

One Fixed Rate

In this area the railway will provide at a fixed tariff of so much per 100 lbs., complete door-to-door service for all l.c.l. merchandise (however packed) between the 50 named municipalities where cartage or trucking service is available. Thus a shipment of half a dozen radios from Toronto to Guelph will be picked up free of charge at the radio plant in Toronto, carried to its destination and delivered right to the door of the purchaser in Guelph at the flat rate of 32 cents per 100 lbs. The minimum charge for any shipment is 50 cents.

The most revolutionary feature of the plan as explained by a railway official to The Financial Post is that for what is believed to be the first time in railway history on this continent a plan has been devised which not only includes free door-to-door service (which has already been tried with success in the United States) but provides a single flat rate for all merchandise of whatever description. The only conditions are that the merchandise must be in less-than-carload lots and must be "in such condition and so prepared for shipment as to render the transportation thereof reasonably safe and practical."

The only other limitations are that pieces or packages which cannot be loaded in a standard box car and such articles as dynamite, acids, bulk freight, live poultry, and livestock do not qualify.

The new rates sweep aside at one stroke the customary Canadian freight classifications although the old rates are still in force and may be used if the shipper desires. Formerly the majority of merchandise travelling l.c.l. and which has been disappearing fast to truckers in this highly competitive area, was grouped under about 6 general classifications in the Canadian freight schedules. The new rates are said to be, roughly speaking, an average of these old classifications. They do not apply from points outside the selected area.

As they now stand the new rates are obviously discriminatory as between this particular area set apart for the door-to-door service and other points of Canada. The intention on the part of the railways is to find out what the public reaction is to a rail service which offers a definite known rate inclusive of door-to-door service. If the business community responds the plan will be extended to other areas. If not, it will be dropped.

Both railways deny they are going into the trucking business but claim they are merely using existing cartage connections in cities where these now exist. In other communities they are hiring independent trucking firms to provide pick-up and delivery service. Some 45 individual firms have been engaged for this purpose, it is reported.

Comparative rates to key points out of Toronto, follow. The old classified schedule shown does not include cartage costs which were paid by shippers and were usually in large centres, 30 cents mimimum and 5 cents per 100 lb. above 300 lb.

Comparative Freight Rates and New Pick-up Delivery Schedule
(Cents per 100 lbs.)

Toronto to:	New Flat Rate (Pick-up delivery)	Canadian Freight Classification Rates			
		Class I	Class II	Class III	Class IV
Brantford	34	43	37.5	32	27.5
Chatham	51	68	59.5	52.5	43
Galt	34	43	37.5	32	27.5
Guelph	32	40	34.5	30.5	25
Hamilton	30	36.5	32	27.5	24
Ingersoll	42	54	47	41.5	34.5
Kitchener	36	43	37.5	32	27.5
London	45	58	50	43	36.5
Niagara Falls	38	50	45.5	37.5	32
St. Catharines	36	47	41.5	36.5	29
St. Thomas	45	58	50	43	36.5
Sarnia	50	68	59.5	52.5	43
Windsor	56	68	59.5	52.5	43
Woodstock	40	54	47	41.5	34.5

Good Inexpensive Food

EVEN when money is plentiful it is not an easy job to buy food and to plan meals for all the hungry members of one's family. When it is not plentiful, the problem becomes increasingly difficult.

To meet a nation-wide need, nutrition experts have prepared a new booklet which names the various foods that must be included in daily menus in order to have properly balanced meals. It tells how to buy the most for your money—and the best for your money.

Delicious, nourishing food is not necessarily expensive. But it takes thought to plan economical meals which provide pleasant variety from day to day.

With the help of this booklet, you can plan meals which not only will maintain health and strength, but also will please the appetite. You can have the advice of food experts.

They will tell you which foods are of first importance—how much milk, what amounts of vegetables, fruits, bread and cereals are desirable and what proportion of meat, eggs, fish, fats and sugars should be added to the menus.

It has been demonstrated that, both in the cities and in rural districts, food for every member of the family for an entire week—twenty-one meals—can be bought at a very low cost.

In the booklet "Three Meals a Day" are described appetizing and nourishing menus for breakfast, lunch and dinner for seven days at a low cost. Additional menus are suggested at slightly higher costs. The booklet includes market orders specifying the exact amounts of food to buy for these menus. You are cordially invited to send for your free copy.

Metropolitan Life Insurance Company, Ottawa, Ont. Dept. 2-F-33
Please send me free booklet, "Three Meals a Day."
Name
Address
City Province

Three Meals a Day

METROPOLITAN LIFE INSURANCE COMPANY
Frederick H. Ecker, President
CANADIAN HEAD OFFICE • • • OTTAWA

SERVING CANADA SINCE 1872

MANITOBA BILL CHANGES STATUS OF TAXPAYERS

Arrears Would Become Personal Liability; Protests Entered

From Our Own Correspondent

WINNIPEG.—A new municipalities bill has been brought before the legislature by the Government of Manitoba, and some of its provisions regarding personal responsibility for taxes on real estate are causing apprehension in financial circles. It is provided that a municipality can automatically put itself in the position of a judgment creditor by registering with a county court judge notice of default in payment by an individual or corporation in the payment of taxes on real estate.

Heretofore the property itself has been regarded as the security for tax collections, and the only attempt to enforce collections has been by tax sale procedure or threat of such procedure. It has not been an uncommon thing, when real property has been unproductive, to allow the taxes to accumulate against it for several years, and then let it be sold by the municipality to satisfy its claim.

Protests Entered

Protests have been made to the Government against the new act on behalf of loan companies which sometimes find it desirable to assume title to, and consequently to become assessed for, property which in essence they are holding for the account of others, pending the time when obligations shall be paid off. Protests have also been made on behalf of the legal profession that it is unsound to allow judgments to be registered against persons who have not had an opportunity to protect their rights, and also that difficulties are thus being increased for taxpayers at the very time when attempts are being made in many directions to make things easier for debtors. The municipal commissioner, however, insists that it is necessary for the protection of the position of municipalities, to improve their tax-collecting powers.

To a considerable extent already various individuals and companies in Western Canada have placed property in the names of worthless corporations or of individuals residing elsewhere, in order to avoid accumulating personal liability for taxes which it may not be desired to pay on property which it may not be desired to hold. Opponents of these provisions of the bill insist that there will be a considerable development of such procedure if it goes through in its present form.

UNION CABINET PLAN OF BOWSER CONCEDED HOPE

Tolmie Faces Split—Liberals Under Pattullo Opposed

From Our Own Correspondent

VANCOUVER. — The political situation daily becomes more cloudy in British Columbia, although a contest between three parties at the election tentatively set for June now seems inevitable.

W. J. Bowser's entry has intensified the complication evident ever since Premier S. F. Tolmie declared himself for union government and then apparently abandoned the scheme. Meanwhile important schisms have developed in the Tolmie cabinet, and it would not require a major upheaval to split the administration in two — die-hard Tories and pro-coalitionists.

Liberals Opposed

Liberals, under Hon. T. D. Pattullo, are confident of success because of the troubles of the Tolmie government. However, they will have nothing to do with coalition ideas, according to Mr. Pattullo.

Ex-premier Bowser isn't so sure. He will attempt to gain support from both the major political parties and says he has received promise of co-operation from prominent Liberals as well as Conservatives who have supported him since his retirement from public life after the Tory debacle in 1916.

Political analysts say Premier Tolmie had a fine chance to win the country to the union government cause last fall when he issued his proclamation embracing that policy, but that he muffed it when he allowed himself to be persuaded against a quick election on a union platform. Since then, it is believed party men have modified Tolmie's attitude considerably. Hon. Rolf Bruhn, minister of public works, however, has come out wholeheartedly for union and he may lead a coalition bloc in political manoeuvres.

Whether Bowser will be able to rally a sufficient number of disgruntled Conservatives and Liberals from the two organizations to win an election remains to be seen. It is just possible that he will be able to sweep the country with his union party.

Insurance for Buyer and Seller

CAN. GENERAL INSURANCE CO. ISSUES REPORT

Loss Ratio Improves But Surplus Lower at Year End

A 6 per cent decline in premium income due to lack of contract and liability bond business; a decrease in earned loss ratio and a net reduction in surplus of $45,000 are features of the annual report of Canadian General Insurance Co. for 1932. Both net loss from the year's operation ($27,150) and net underwriting loss ($54,600) show improvement from 1931.

Of the $54,000 loss in underwriting in 1932, according to W. P. Fess, president and managing director of the company, over $32,000 is accounted for by under-estimated and unreported automobile and casualty claims in 1931 against which a contingent reserve of only $20,000 had been provided. In addition, premium reserve has been increased by $8,000. The lowest loss ratio on an earned basis was in casualty lines which for 1932 was 44 per cent against 65 per cent the previous year.

Dwelling Fires Costly

Fire business of the company in 1932 according to Mr. Fess still gives the company considerable concern due to heavy dwelling losses in Ontario and Quebec—particularly in the latter province. Western business proved satisfactory and the earned loss ratio for the year was 58.7 per cent against 65 per cent a year ago.

Automobile business showed a substantial increase in premiums and actual results for 1932 are stated to be satisfactory when allowance is made for under statement of claims in last year's report to which reference has already been made.

Securities Sold

Assets are slightly lower at $1,184,000 with investments carried at the values authorized by the federal insurance department. No reserve has been provided for the excess over market values at the end of the year although according to the president's report, of the $46,000 reduction in surplus, $33,500 was accounted for by loss on sale of securities and by increased reserves against market values. This loss through sale of securities is claimed to be justified by the improvement in the company's portfolio. Six of the company's holdings are stated to be in default but these have been valued at practically market values and the depreciation in value therefore written off.

Comparative figures for the past two years follow:

	1932	1931
	$	$
Fire		
Net Prems. Written	125,927	128,652
Net Prems. Earned	131,948	140,329
Net Losses Inc. ...	77,472	91,881
Earned Loss Ratio .	58.7%	65.3%
Automobiles		
Net Prems. Written	328,693	307,130
Net Prems. Earned	316,270	287,193
Net Losses Inc. ...	167,718	166,842
Earned Loss Ratio .	53.0%	57.1%
Casualty		
Net Prems. Written	202,592	260,943
Net Prems. Earned	200,721	261,320
Net Losses Inc. ...	88,982	170,236
Earned Loss Ratio .	44.3%	65.1%
Total Business		
Gross Prems. Writ.	830,996	879,345
Net Prems. Written	657,212	696,726
Net Prems. Earned	648,938	689,043
Net Losses Inc. ...	334,172	428,961
Earned Loss Ratio .	51.5%	62.2%
Assets	1,184,632	1,278,791
Surplus	200,754	246,094
Net Und. Loss	54,609	107,076
Net Loss	27,149	126,685

Granby Protective Paid $296,630 in 1932 Claims

From Our Own Correspondent

MONTREAL.—Preliminary figures issued by the Protective Association of Granby, P.Q., indicate that total assets at the end of 1932 were $309,115. Net surplus over all liabilities, including capital stock of $50,000, was $112,168. The association's charter restricts its operations to sickness, accident and accidental death policies for members of the Masonic fraternity only. In 1932, claims paid by the association to Masons and their families totalled $296,630.

IMPERIAL GUARANTEE AND ACCIDENT INSURANCE COMPANY
FIRE · MARINE · AUTOMOBILE · ACCIDENT · SICKNESS · BURGLARY · GUARANTEE
ESTABLISHED A.D. 1905

British America No. "3"

Celebration this year by the British America Assurance Co. of its hundredth anniversary recalls that this company presented to the village of muddy York in 1837 one of the first pieces of fire-fighting equipment ever used in the community.

British America No. "3" was commonly called the tub and had a crew of 12 to 15 men. It is still exhibited annually at the Canadian National Exhibition and is in excellent condition. In 1837 it was brought out to quell a riot of 700 men at the Don River. The rioters withdrew but the bridge caught on fire, so No. "3" had a busy day after all.

British American Assur. Celebrates 100th Birthday

Is Oldest Existing Financial Institution in Ontario — Founded in Muddy York in 1833

A few age-stained copies of the Upper Canada Gazette published at "York, Upper-Canada" in the reign of William the Fourth are shown with pride to those of historical bent who have happened to drop in at 22 Wellington Street East in Toronto during the last few weeks.

They attest the fact that Canada's second oldest fire insurance company The British American Assurance is this year celebrating its one hundredth birthday. It is said to be the oldest existing financial institution in Ontario.

Founded in Muddy York

Original name of this century-old company was the British America Fire and Life Assurance Co. and its act of incorporation was passed at the third session of the 11th parliament of the province of Upper Canada on Feb. 19, 1833. The head office was the village of "Muddy" York (now Toronto) and its 52 incorporators included the majority of prominent men of the community. Although both fire and life insurance privileges were little used. Capital stock was placed at £100,000 of which one-quarter was to be subscribed and 10 per cent paid in, before commencment of business. Not more than 80 shares were to be held by any one person and shareholders were allowed to vote according to the number of shares held. One vote was allowed for each share up to four; five votes for six shares; six votes for eight shares; seven votes for ten shares and one vote for every share above 10. No proxies were allowed above ten.

Although incorporated in 1832 the company did not organize for business until a year later, a meeting being convened in the York Court House on March 4, 1834. The first resolution adopted by the meeting was to the effect that 'in the opinion of this meeting the period has arrived which renders it highly necessary for the protection of the inhabitants of this province against calamities which may arise from the loss of property by fire, to establish a fire assurance company."

First Office in House

William Proudfoot was chosen first governor and John S. Baldwin deputy governor. Business commenced on June 19, 1835 with a paid-up capital of $42,915, the company's first head office being at the corner of George and Duke Streets in the residence of T. W. Birchall, a prominent dry goods manufacturer of the time who was appointed managing director.

In its early fight for existence the company faced stormy days according to J. Castell Hopkins in the Canadian Annual Review of 20 years ago. Most of the business of the province was in the hands of British companies who appointed mercantile houses as their representatives with power limited only in the rates of premium which were fixed in England.

Directors met weekly and a committee of the board was appointed each week for daily duty in the office of the company at the hour of ten in the morning to grant and sign policies. Another curious by-law—highly amusing to this day and generation was one which required directors of the company to personally attend every fire which occurred in their respective districts and to use their influence with the fire fighters to see that the streams of water were directed upon properties insured with the British America.

A Costly Mistake

Another amusing anecdote of the company's history concerns the visit to the United States of Hon. William Allan who in 1835 succeeded William Proudfoot as "governor" of the company. His secretary sent ahead for hotel accommodation and upon his arrival it is reported that he was met at the station by a troop of cavalry and received with the ceremony usually accorded to a governor of a colony. The unexpected honor proved expensive however for the Royal suite in the hotel had been reserved for "Governor" Allan from York and he was charged $100 a day which was a pretty tidy sum in those days for hotel accommodation.

Evidence of growth is seen in the table reprinted herewith which records various figures for total assets, capital and surplus and premium income through the century.

	Assets	Capital & Surplus	Premium Income
	£	£	£
1835	7,537	6,907	1,124
1850	35,675	31,345	4,917
	$	$	$
1875	806,981	485,495	509,499
1900	1,159,896	549,097	802,065
1910	1,974,361	740,360	1,559,110
1915	2,536,311	803,505	2,186,603
1920	4,493,985	735,982	3,957,235
1925	3,945,586	1,049,564	3,590,880
1931	4,781,378	1,752,455	2,819,268

Now Across World

In 1874 the company branched out beyond the shores of the dominion and established various agencies throughout the United States. This policy proved highly successful and by 1910 the company was operating through Europe, Great Britain, the West Indies and the Far East. Today it transacts practically every kind of business except life; its operations extend over the civilized world. It has paid to policyholders $70,000,000 since incorporation. In 1890 new interests joined the company and were given membership on the board, including George A. (later Senator) Cox. In the same year a scheme of consolidation with the Western Assurance Co. was agreed upon by which both companies retained their individual identity but passed under the same control.

With pride officers of the company reflect upon the difficult period faced during the early years of the present century and the preceding decade. First there were the Toronto fires of January and March, 1893, for which Canadian companies paid out $1,600,000 in losses; in 1898 a serious fire occurred in New Westminester and in 1900 the Hull and Ottawa fires. Then came in 1904 the conflagrations in Toronto and Baltimore which compelled shareholders at a special general meeting on June 8 to write off $500,000 in capital stock. The company's strength was maintained, however, by a new stock issue of $350,000 all but $14,600 of which was paid up by the close of the year. Premium income for the year was maintained at the highest point in the company's history.

San Francisco Disaster

Then in 1906 came the greatest disaster of the present century the San Francisco earthquake and conflagration involving an insurance loss of $250,000,000. Losses of the British Amera totalled just over $1,000,000 but without hesitation the company every loss at 100 cents on the dollar, in spite of the technical loophole afforded by the fact that an earthquake preceded the fire. Another special meeting was held and $550,000 of preference stock issued at a premium of 25 per cent—all of which was taken up before the close of the year by a group of leading Toronto financial men.

Today in its fire branch alone the company boasts a total insurance in force throughout the world of over $560,000,000. The extent of its operations is indicated by the fact that its present president and managing director, E. A. Brownell, who came to Toronto to assume that office a year ago, is a native-born New Zealander who entered the company's service in Australia some 30 years ago. He is presently on an inspection trip of the company's offices and branches throughout the world, and in order to visit them he will travel over 26,000 miles—exclusive of the company's offices in Australia and New Zeland. Other officers of the company are: George A. Morrow, Herbert C. Cox and C. S. Wainwright, vice-presidents; Kenneth Thom, general manager and G. Stubington, secretary.

Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia
FIRE AUTOMOBILE WINDSTORM
Insurance in force over $250,000,000.00
Total Assets over 3,000,000.00
Agents required in Ontario
Write Eastern Branch, 2 Toronto St., Toronto, Ont.
THE WAWANESA MUTUAL INSURANCE CO.
Head Office—Wawanesa, Man.

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE WASHINGTON
BRANCH OFFICES
Toronto
Ottawa
Vancouver
Victoria
Edmonton
Calgary
Saskatoon
Winnipeg
Montreal
Quebec City
St. John
Halifax
HEAD OFFICE FOR CANADA HAMILTON ONTARIO
WRITING FIRE AND AUTOMOBILE INSURANCE AT COST. ASSETS $4,616,449.70
ALL POLICIES NON-ASSESSABLE PAYING DIVIDENDS RANGING FROM 20% TO 30%

NEW YORK LIFE ASSETS IN CANADA TOP $50,000,000

But Volume of Business in Dominion Drops to $9,000,000

An increase in its Canadian assets but a further decline in volume of paid for Canadian business is shown in figures prepared this week for The Financial Post by the New York Life Insurance Co.

New paid for business in Canada totalled $8,966,000 as compared with $11,000,000 in the previous year; $18,225,000 in 1930 and $20,000,000 in 1929. Total business in force at the end of 1932 amounted to $185,000,000 as compared with $194,500,000 at the end of the previous year.

Assets Reach $50,000,000

Total assets in Canada according to the company's statement were just over the $50,000,000 mark which represents an all-time high mark and compares with a previous high figure of $48,500,000 at the end of 1931. The company has been writing business in Canada since 1868. Chief agent in Canada is Percy V. Raven, Montreal.

Over $7,000,000,000 in Force

Magnitude of the company's operations on this continent is indicated by figures from the company's annual statement which show that new business paid for in 1932 was $521,264,000 as compared with $673,000,000 the previous year. Total business in force in both countries was $7,342,000,000. Total amount paid to policyholders and beneficiaries during the year was $255,200,000 an increase of $27,600,000 over payments in any preceding year. Total assets amount to $1,974,076,000 with an excess of assets over liabilities of $113,970,000.

The company maintains on deposit the receiver-general at Ottawa for the sole protection of Canadian policyholders the sum of approximately $23,400,000. Loans to policyholders in Canada amount to almost $10,000,000.

Montreal Life Reports Gain New Business

An increase in new business paid for in Canada in 1932 by the Montreal Life Insurance Co. due to a substantial gain in group business is reported in figures submitted this week by the company to The Financial Post.

Total new paid for business amounted to $8,700,000 of which $6,500,000 was ordinary business and $2,200,000 group insurance. A year ago total new ordinary business paid for was $8,104,000 and group business but $558,000.

Total business in force declined by about $1,000,000 to $39,600,000 while total assets are higher at $5,777,000.

Comparative figures follow as far as they are available.

	1932	1931
	$	$
New ins. paid for:		
Ordinary	6,482,351	8,104,146
Group	2,277,796	558,250
Bus. in force	39,628,000	40,851,114
Assets	5,777,336	5,654,105

OTTAWA PLANS MINOR CHANGES IN INSURANCE

Chief Amendment to Act Enlarges Investment Field

From Our Own Correspondent

OTTAWA.—Rt. Hon. Arthur Meighen, government leader in the Senate, announced last week that amendments to one or two of the insurance acts enacted in 1932 will be brought forward this session. He made this statement when speaking to the second reading of a bill moved by Senator C. P. Beaubien, of Montreal, which would enlarge the statutory field for investment presently afforded federally licensed companies.

Affects $15,000,000 Bonds

Mr. Beaubien's bill is believed reasonably certain of enactment. It is not of national importance. The purpose is to widen the sections of the Canadian and British Insurance companies act dealing with investments so as to legalize the investment of insurance funds in the bonds and debentures of certain charitable, educational and philanthropic institutions of Quebec.

There are about $15,000,000 of these bonds outstanding and while not directly guaranteed by the Quebec legislature, certain provincial monies are ear-marked annually to meet the interest charges and to build up a retirement fund.

Mr. Meighen in discussing the bill announced that the government proposed to amend one or two of the insurance acts, and the Beaubien bill will be held in committee until all the amendments can be dealt with together. It is learned that the government amendments have to do with minor changes in the statutes, the tieing in of loose ends, and the strengthening of the statutes from the constitutional viewpoint.

New Appointments By Metropolitan Life

Metropolitan Life, through its Canadian head office, has announced the following promotions in the field:

Henry Lambert, formerly employed as an agent in the Verdun, Montreal district, is appointed assistant manager at the Outremont, Montreal district; Georges Piquette, formerly employed as an agent in the Papineau, Montreal district, is appointed assistant manager at the Outremont, Montreal district; John B. Duffey, formerly employed as general assistant manager at the Canadian territory, is appointed assistant manager at the Humber, Toronto district; Christopher V. Robinson, formerly employed in the Guelph, Ontario, district, is appointed assistant manager at the same district; J. H. Brabant, general assistant manager at Canadian Territory, is appointed assistant to the manager at the St. Lambert, Quebec district; J. A. Tremblay, formerly employed as agent in the office account Quebec, is appointed assistant manager at the same district.

Saskatchewan Would Control Auto. Drivers

Cancellation of licenses of persons involved in accident who cannot file proof of financial responsibility is provided for in a bill presented to the Saskatchewan legislature on Feb. 28 by Hon. A. C. Stewart, minister of highways. The bill also provides for cancellation of licenses until any judgment rendered against an automobile owner has been satisfied.

The proposed legislation is modelled very closely on the Ontario Financial Responsibility Law. Provision is made in the bill for cooperation for any other province of state having the same or similar legislation.

Suspension of license or registration of the car is provided for under much the same conditions which prevail in other provinces, briefly: speeding when damage amounts to over $25; failure to return to scene of an accident; driving without a license if damage of $25 is done; manslaughter. In all such cases the license will remain suspended until the court judgment is satisfied.

GUARANTEE FIRMS RAISE PREMIUMS ON CERTAIN RISKS

Boost Minimum Policy on Municipal Treasurers in Quebec

From Our Own Correspondent

MONTREAL — Following discovery of a number of defaulters in various municipalities, guarantee insurance companies have raised their premiums for policies on secretary-treasurers of school boards and municipalities in Quebec. It is stated that general overhauling of accounts resulting from economy enforcement has brought to light many losses and, in general, this class of business has been most unsatisfactory.

Rates on policies on secretary-treasurers of municipalities, which formerly was 50 cents per $100 with a minimum of $8, have been raised to a minimum premium of $10. Policies on school treasurers have been raised from a former minimum of $5 to a $6.50 premium. It is stated that some 3,000 treasurers are covered for $2,000 by guarantee companies in Quebec.

All Companies Agree

The rate, which has been agreed to by both tariff and non-tariff companies, was arrived at after considerable discussion. The companies were anxious to raise the premium rate to a minimum of $12 in an effort to place the business on a more satisfactory basis. Conferences were held with Oscar Morin, president of the Quebec Municipal Commission and the $10 minimum was finally agreed upon.

There is a tacit understand, however, that the companies will reduce their rates to former levels when business conditions become more normal.

Special Committee Formed To Boost Insurance Week

Six days of sustained effort to "produce and conserve life insurance" are planned in the international observance of life insurance week which takes place the week of April 17-22. The slogan adopted for both Canada and the United States is "Financial Independence Through Life Insurance."

In Canada a national committee representative of the Life Officers, Life Agency Officers and Life Underwriters' Associations, Life Company Advertisers and Life Institutional Advertising Committees has been organized to assist this special effort. Material for addresses and publicity is being prepared and a feature institutional advertisement will appear on April 18 in 71 A. B. C. dailies, 18 A. B. C. farm periodicals and 2 A. B. C. national financial weeklies in Canada with a total circulation of 3,282,284 at a cost of $3.750.

The working and advisory committee: C. D. Devlin, chairman; D. W. Hoegg, vice-chairman; William Wallace, secretary; E. V. Chown, L. W. Dunstall, Geo. H. Hunt, A. L. Cawthorn-Page, and F. W. White. Advisory Committee: J. H. Lithgow, G. Raymond Smith, Charles A. Butler, A. D. Anderson, J. F. Weston, and John Appleton.

Propose Payment in Wheat of Hail Insurance Premiums

That hail insurance, both as to premiums and liability of the association, should be calculated in bushels of wheat, rather than in dollars, was the proposal made at the annual meeting of the Saskatchewan Municipal Hail Insurance Association recently by one delegate. Wheat, he pointed out, was the only basis on which the farmer could pay his debts and the hail insurance organization should set an example in getting on a wheat basis. The board was asked to study the proposal with a view to future action.

Election of members resulted in the board of 1932 executives being re-elected in its entirety. The re-elected directors are: J. R. Near, Pinkham; J. Harvey Lane, Fillmore; and J. G. Knox, Tuxford.

London Guarantee Gains London Police Insurance

London Guarantee and Accident Insurance Co. Ltd. made the successful tender for the contract for accident risks covering members of the fire and police departments of London, Ontario.

For an annual premium of $5.50 per man on duty or $8.00 if policies cover both on and off duty hours, the tender allows $3,000 in case of death or loss of limb within 200 days, $10.00 per week for 200 weeks for total disability and $5 per week for 52 weeks for partial disability.

Insurance Inklings

A. W. MAYBERY was recently elected president of the Moose Jaw committee of the Western Canada Insurance Underwriters' Association.

HOMER S. ROBINSON, Winnipeg manager for the Excelsior Life Insurance Co., has recently had his territory enlarged to include all Manitoba.

Actuarial Society of America will hold its annual meeting at the Waldorf-Astoria Hotel, New York, on May 11 and 12.

Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

State Life of Indiana

I would like your opinion of the State Life Insurance Co. of Indianapolis, Indiana, as to their financial standing, their operations and the advisability of continuing to carry insurance with this company.

State Life Insurance Co. of Indianapolis is regularly licensed under the federal insurance department at Ottawa and has been doing business in Canada since 1904.

Although this company, as far as we know, has ceased to write new business in Canada, we believe it is a good reputable middle-west company and that some of the leading Canadian companies carry on reassurance business with it.

It maintains adequate assets in Canada for the protection of Canadian policyholders, the amount on deposit with the receiver general, according to latest information, being approximately $300,000.

National Protective

Can you tell me if the National Protective Insurance Co is licensed in Canada and would you advise me to take insurance with them?

National Protective Insurance Co. as far as we are aware, is not licensed to do business in Canada and therefore, we would not advise you to insure with it.

There are so many excellent companies operating in Canada under federal or provincial supervision that we do not consider it wise or expedient for business to be placed outside this sphere except under very exceptional circumstances.

Quebec House Considers Bill On Insurance

In order to provide authority for the control of insurance matters, following the decision of the Privy Council that certain insurance matters are within provincial jurisdiction, Hon. R. F. Stockwell, provincial treasurer last week, brought a bill before the Quebec Legislature to give the Government blanket authority.

As the bill is known as the "Quebec Insurance, Temporary Provisions, Act, 1933," it is presumed that what is to be done by order-in-council will form the basis of a permanent act. The present act does not come into effect on the day of sanction but by proclamation.

The bill gives the Lieutenant-Governor-in-Council power of control of insurance, insurers and the Quebec Insurance Act, or any other act pertaining to insurance. It also gives the Governor-in-Council power to negotiate with other provincial governments with respect to insurance matters.

New Brunswick Fire Losses Record Decline

From Our Own Correspondent

MONTREAL.—Fire losses in New Brunswick last year totalled $1,507,805 compared with $4,222,349 in 1931, the year of the West Saint John dock fire, when the loss in that district alone was $2,741,881. Number of fires showed an increase, totalling 1,168 last year against 948 in 1931.

Losses covered by insurance in 1932 totalled $997,502 against $1,696,870 in 1931. Losses not covered by insurance last year were $510,303 as against $2,525,479 in the previous period.

With the dock fire loss placed at $2,741,881, it is shown that the provincial fire loss in 1932 was $27,337 greater than in 1931. Of the increase of 220 fires in the past year, Saint John city accounted for 61 of them. City property loss, however, was $29,-

Licenses Issued

American Home Fire Assurance Co., formed by the merger of a company of that name and the American Constitution Fire Assurance Co., has received a certificate of registry authorizing it to transact in Canada the business of fire, sprinkler leakage, tornado, inland transportation and automobile insurance, excluding insurance against liability for loss or damage to persons caused by an automobile, insurance against loss or damage to personal property, insurance against damage to property of any kind caused by the explosion of natural or other gas and insurance against loss of or damage to property other than growing crops by hail. R. E. Schofield, Montreal, is the company's Canadian Chief Agent.

The Metropolitan Fire Reassurance Co., formed by the merger of The Fire Reassurance Co. of New York, and the Metropolitan Fire Insurance Co., of New York, has received a certificate of registry authorizing it to transact in Canada the business of fire, sprinkler leakage and tornado insurance, insurance against damage to property of any kind caused by the explosion of natural or other gas and insurance against loss of or damage to property other than growing crops by hail. T. Meuntier, Montreal, is the company's Canadian chief agent.

Shaw and Begg Firm Not Mutual Company

An analysis of tariff and non-tariff experience in the fire insurance field in Canada analyzed by The Financial Post Business Year Book, 1933, according to leading company "groups," refers in error to the Lumberman's Insurance Company of Philadelphia, a member of the Shaw & Begg group, as a mutual company.

Lumberman's Insurance Company of Philadelphia, is a joint stock company for which Shaw & Begg are chief agents for Canada. It has no association of any kind with the Lumberman's Mutual Insurance Company.

PROTECTION
The Independent Order of Foresters is a fraternal benefit society operating under a lodge system and existing for the purpose of affording to men and women the completest protection at the minimum cost. This protection covers practically every phase of family life. In addition to the protection afforded through its Insurance and Sick Benefit Departments, a number of practical fraternal benefits are available to its members.
Assets — $49,000,000.00
Independent Order of Foresters
FRANK E. HAND, Supreme Chief Ranger HEAD OFFICE: TORONTO, CAN.

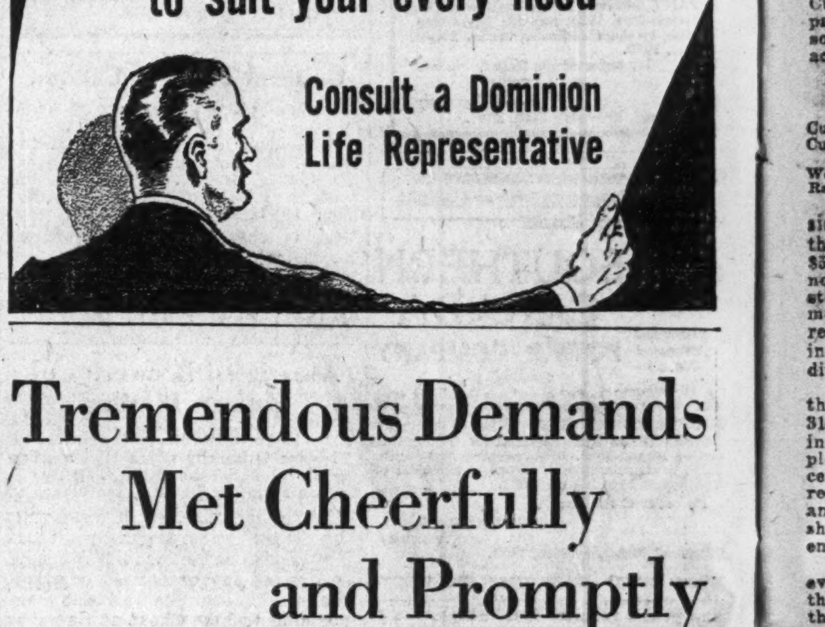
THE MONARCH LIFE ASSURANCE COMPANY
A PROGRESSIVE CANADIAN COMPANY
Special Reserves and Surplus
OVER ONE MILLION DOLLARS
Offices in Principal Canadian Cities

Approve Reorganization of Ukranian Mutual Insce.

Reorganization of the Ukranian Mutual Benefit Association of St. Nicholas of Canada, on an actuarial basis, was approved by the House of Commons Committee on Banking and Commerce on February 22.

Head office of the organization is in Winnipeg and a Dominion charter was obtained in 1930, but the company failed to secure proper certificate from the superintendent of insurance within the two year limit. The charter, therefore, automatically lapsed.

G. D. Finlayson, superintendent of insurance, said the association had not been on a sound actuarial basis in that the premiums collected were not in proportion to the benefits promised its members. He has assured such weakness would be corrected and would be ready to grant the necessary certificate.



THE DOMINION LIFE ASSURANCE COMPANY
HEAD OFFICE - - - WATERLOO, ONTARIO
There is a Dominion Life Policy to suit your every need
Consult a Dominion Life Representative

Tremendous Demands Met Cheerfully and Promptly

Life Insurance Stands the Test

At the Annual Meeting of the Montreal Life Insurance Company, the President, Mr. Arthur P. Earle, made some interesting comments on the general financial and business situation, especially as affecting life insurance companies.

Mr. Earle pointed out that while the greatest business depression of modern times had borne heavily on the life insurance companies, still they had successfully met the strain. Indeed, the importance and the necessity for life insurance are being realized now as never before. Hundreds of thousands of people are finding their life insurance policies a solid rock on which to stand, the one investment which has not suffered sharp depreciation in value, a form of security on which they are able to obtain loans—to a guaranteed value—quickly and with little formality.

Life insurance companies had found new business reduced, terminations increased, disability claims of almost unbelievable proportions, unprecedented demands for loans and surrenders, a heavier mortality rate brought about by worry and strain, not overlooking carbon-monoxide sui-accidents. On top of these burdens, security values had decreased and many securities were in default as to interest payments. It was indeed a matter of great pride with life insurance folks that their companies had come through these three eventful years, buffeted, but strong and rugged.

One record was established in 1932, according to Mr. Earle, viz.—that a far greater sum was paid out to policyholders and beneficiaries than in any previous year in the history of the business. These payments included death and disability claims, matured endowments, surrenders, dividends and loans, and the total amount so distributed in the United States and Canada probably exceeded the staggering total of Five Billions of Dollars.

MONTREAL LIFE REPORT SATISFACTORY

The report of the Montreal Life for the year 1932 was quite satisfactory. New business was $10,033,961, and the insurance in force on December 31st totalled $39,627,885.

$3,054,884.05 PAID OUT SINCE FOUNDED

Net premium receipts were $1,089,144 and income from investments $273,565.86. Payments to policyholders and beneficiaries increased 15.54 per cent to the substantial total of $795,716.68. Since its organization in 1910 the Company had paid to policyholders and beneficiaries a total of $3,054,884.05.

There was a further drop in expense ratio to 29.07 per cent. All items of controllable expenditures were decreased in the past year. Economy has been the order of the day.

ASSETS INCREASE

Total Assets increased to $5,777,335.94, while Policy Reserves now stand at $4,825,115.36, these Reserves being in excess of statutory requirements.

The average rate of interest earned by the Montreal Life in the past year was 5.85 per cent. All investments were taken into account at the values set by the Federal Department of Insurance. Underwriting profits were sufficient to cover policy dividends, a substantial depreciation reserve, with a small amount added to Surplus.

REDUCTION IN PREMIUM RATES

Mr. Earle referred to the momentous step recently taken by the Montreal Life in making substantial reductions in premium rates. With these reduced premiums on regular plans of insurance, together with the many attractive special contracts, the representatives of the Montreal Life are in a favoured position to treat with intending insurers.

The President pointed out that the Montreal Life had come through the stress and strain of the past three years with security unimpaired and reputation enhanced. Every dollar demanded had been met promptly and cheerfully, one hundred cents on the dollar, and without it being necessary to borrow, or to sell a single security.

At the Annual Meeting of the Montreal Life there was passed a resolution of thanks to the officers, agents and employees of "The Friendly Company" for loyal and efficient services rendered during the past year.

Life Insurance IS the answer to your problems of PROTECTION for your family—INVESTMENT for your own old age.
We have a contract to meet every need.
THE GREAT-WEST LIFE ASSURANCE COMPANY
HEAD OFFICE - - - WINNIPEG

MOORE CORP. KEPT STRONG SITUATION, EARNINGS DOWN

Made Profit in Every Month of 1932 at Lower Level

SHIPMENTS OFF

Quantities Decline by 22 Per Cent — Costs Reduced — Sales Efforts Extended

Moore Corp. earnings of $741,914 for the year ended December 31, 1932, compare with $1,056,095 in 1931. After payments of the regular 7 per cent dividends on both classes of preferred stock, and one dividend of 12½ cents on the common, the surplus stands at $353,467, compared with $442,210 at the end of the previous year. Provision for depreciation was at the usual rates and the total of subsidiary bonds outstanding was reduced from $724,000 to $641,500. Common dividends were discontinued, awaiting business improvement.

Consolidated Income and Surplus Account Years Ended Dec. 31

	1932	1931
	$	$
Net earnings	741,914	1,056,095
Less: Bond int.	41,609	50,961
Depreciation	360,508	367,764
Income tax	41,700	69,420
Net profit	298,097	567,950
Less appropriations:		
Pref. "A" divds.	230,153	230,148
Pref. "B" divds.	117,439	117,439
Common divds.	39,249	313,978
Deficit for year	88,744	93,615
Add: Prev. surplus	442,210	535,825
Balance forward	353,466	442,210

*Deficit.

In the report to shareholders, S. J. Moore, president, stated that in the three years of depression surplus was drawn on to the extent of only $101,117 to provide $1,709,520 of dividends, of which $666,775 was on the common stock. Depreciation reserve grew in this period by $1,124,733.

Working capital now is $2,313,291, compared with $2,523,114, but the ratio of current assets to current liabilities has been improved from 6.88 to 1 to 8.09 to 1. Cash totals $853,451, compared with $866,536 a year earlier. Current assets total $2,639,464, compared with $2,952,549, there being some reduction in inventory and in accounts receivable.

Working Capital

	1932	1931
	$	$
Current assets	2,639,464	2,952,549
Current liabs.	326,173	429,435
Working capital	2,313,291	2,523,114
Ratio	8.09—1	6.88—1

Investments in and advance to subsidiaries are $1,224,725, slightly higher than a year ago. Other investments, $59,953, is a new item and although not shown in current assets is understood to consist principally of government bonds. Current liabilities are reduced because of the lower total of income tax, interest accrued and dividends payable.

Subsidiaries hold 37,738 shares of the common stock out of the total of 313,979 outstanding, leaving 276,241 in the hands of the public. The employees' stock-purchase plan was cancelled, as mentioned in a previous report; installments were returned and the subsidiaries reacquired the shares at the prices at which the employees were to have paid.

Moore Corp. had a net profit in every month of the year and each of the operating units contributed to the year's results. Total shipments to customers were down about 22 per cent in value, partly due to lower quantities and partly to lower selling prices. Efforts are being made to widen the markets. Sales efforts have been maintained and manufacturing costs are steadily being reduced.

OKA SAND PROFIT REVEALS EFFECTS OF BUILDING DROP

Former Capital Surplus of $221,283 Absorbed in Write-offs

From Our Own Correspondent

MONTREAL — Operations of Consolidated Oka Sand and Gravel Co. in 1932 reflected restricted building activity in the territory served. Building permits in Montreal dropped 67 per cent and total sales of the company fell from $513,433 to $178,239. Net earnings were $22,505 compared with $127,201 in 1931.

No depreciation was provided but bond interest paid and accrued was charged off leaving a deficit of $21,109. Bond interest due November 1 was defaulted. During the year the Farquhar-Robertson property was disposed of necessitating a charge on capital surplus of $47,283 and profit and loss with $15,302. After other adjustments surplus was reduced to $1,016 compared with $46,545 at the end of 1931. A former capital surplus of $221,283 has been eliminated.

Profit and Loss Figures

Following are comparisons of profit and loss for the past two years:

	1932	1931
	$	$
Net earn	22,505	127,201
Deprec.	.....	43,487
Bond int.	*43,615	44,402
Org. exp.		2,878
Reserves	.....	.....
Net prof.	‡21,109	36,433
Pfd. divid.	.....	49,119
Surplus	‡21,109	‡12,689
Prev. surp.	†137,428	63,092
Total	16,319	51,306
xOth. taxes	.....	4,761
Adjust.	‡15,302	.....
Balance fwd.	1,016	46,545

x—For prior years. *—Made up of $14,538, paid to April 30, 1932; $21,807, due and unpaid, and $7,269 accrued from November 1, 1932. †—After crediting $350, discount on bonds redeemed in 1931, tranferred to surplus, and debiting $4,500, prior years' sales tax claim; $4,843 income tax for 1931 and $122, prior years' expenses, previously in dispute. ‡—Balance of loss on surrender of leasehold rights in Robertson property. ‡—Deficit.

Working Capital

	1932	1931
	$	$
Curr. assets	88,921	167,502
Curr. liabs.	49,626	94,719
Work. cap.	39,295	72,783

Balance sheet shows property account, before depreciation, at $1,437,995 compared with $1,713,447 in 1931. Decline is accounted for by abandonment of a portion of floating equipment with a book value of $164,000 while book value of one of the company's tugs was reduced by $10,000, both charged to capital surplus. The Robertson property formerly carried at $100,420 has been written off.

Liabilities show that former bank loans of $45,000 have been paid. A reserve of $4,500 for sales tax claim has been established while depreciation reserve of $140,978 has been transferred to the liability side of the ledger. During the year no bonds were redeemed, there are $671,000 of 6½ per cent first mortgages outstanding.

Capital stock is unchanged but the former capital surplus of $221,283 has been absorbed by charges.

This Week in Wheat

From Our Own Correspondent

New Factors Caused Wheat Upturn

WINNIPEG. — Although The Financial Post last week pointed out factors in the wheat situation which appeared to justify hopes of improving prices, it is not to those factors but to a fresh set of circumstances arising out of the financial situation in the United States, that the strength of the wheat market has been lately due.

Up until the close of the market on March 3 banking developments in the United States appeared to be exercising a depressing influence on prices, and to be preventing them from responding to bullish news which otherwise might have been expected to have some effect. Since then there has been a large volume of buying of wheat futures in the Winnipeg market apparently to equalize commitments elsewhere, probably mostly in wheat but possibly to some extent also in exchange. The Winnipeg market is narrow at present, in spite of the large quantity of Canadian wheat in store, for the great bulk of it has already left farmers' control and is hedged in the futures market, while the greater part of the hedges are held by the Government interest. It is, of course, quite possible that the market's performance during the past few days may serve to call attention to the wheat situation, and to touch off an upward movement.

There has been some, but comparatively little, investment buying from Canadian sources, while some purchases of futures for British and European accounts may indicate the development of a broadening interest.

* * *

ACTUAL new export commitments have been practically impossible this week in view of the lack of a settled rate of exchange between the Canadian dollar and the British pound, and Canadian exporters have hesitated to continue offers. The lack of a firm rate has made it difficult to be sure whether or not Liverpool and Winnipeg were keeping in line. But if the pound proves to have improved its position in relation to our dollar, that should be a strengthening influence in our market.

* * *

IMMEDIATE possibilities for the export of Australian and Argentine wheat have improved as against Canada, since the former has not depended at all, and the latter comparatively little, upon New York, for the completion of transactions. Present difficulties might be overcome by the establishment of a direct exchange market between Montreal and London, if the former three-cornered arrangement through New York cannot be quickly renewed, or by buyers abroad changing the established practice and commencing to buy wheat at Canadian ports in Canadian ports in Canadian funds. An early adjustment may mean no interruption to actual shipments of wheat, as there is a considerable volume of bookings ahead which will not be interfered with. Last week's clearances at close to 5,000,000 bushels, nearly a third of world shipments, were fairly satisfactory.

* * *

IN THE cash market No. 1 hard has gone to a premium of one cent a bushel over May contract, as lake forwarders have been accumulating supplies for the opening of navigation. Such stocks of Durums as are available are also being picked up at increasing premiums, to catch the Italian market before wheat from Northern Africa commences to be available.

* * *

Southern Hemisphere Outlook Viewed

AUSTRALIA managed to float 6,628,000 bushels last week, of which 2,000,000 were destined to Oriental markets. It is somewhat surprising to have reports from Liverpool suggesting unsatisfactory quality of Australian wheat from some sections, due to damage from rust. Egypt, it appears from latest reports is likely to offer an outlet for Australian wheat toward the end of the calendar year, as domestic production is estimated to be sufficient for only about eight months supply.

Australia does not like to hold wheat, partly because she lacks elevator storage, but not altogether so, since outdoor storage of wheat in sacks protected by tarpaulins has been successfully practised. But Australia saw her wheat piled up unsold during the war, when shipping could not be diverted for the long voyages necessary for its transport, and since then the idea of stored wheat has been particularly repugnant to the Australian.

* * *

IN addition the early months of the calendar year are regarded as especially Australia's time to sell, when the British market tends to be in a receptive mood as domestic supplies of soft wheat are becoming less, and as the close of Great Lakes navigation has lessened the pressure of offerings from Canada. In addition it is the time of year when the Orient is likely to be buying in quantity.

Argentine shipments were only half of those from Australia, shipments and deliveries being delayed by low prices due both to the British duty and to inferior quality of the current crop. The Argentine hopes to find from now on an improved demand from Brazil, where, up to the present the purchase of 25,000,000 bushels of United States Farm Board wheat in exchange for coffee has been in the way of commercial transactions. It was only the other day that Brazil lifted the embargo on the importation of flour which had been made effective in order to enable the government to dispose of that wheat.

Grain and Milling in Canada

WESTERN RAINS DURING FEBRUARY BELOW NORMAL

Average Since Sept. 1 Half Inch Under Normal

Precipitation in western grain growing areas in February amounted to .50 inches, measuring snowfall as inches of rain. This was materially higher than in February, 1932, and 1931, when the figures were .36 and .17 respectively, but was slightly below the normal of .63 inches for the month, according to the W. Sanford Evans Statistical Service of Winnipeg.

The general average of precipitation at prairie stations since Sept. 1, 1932, has been half an inch below normal. This may be modified by spring rains. Manitoba stations have reported good precipitation, but all except one of the Saskatchewan and Alberta stations have reported below normal amounts since Sept. 1. The exception was Medicine Hat. Comparatively poor showings were made by Regina, Calgary and Battleford.

During the autumn, precipitation was heaviest in November, being the highest for ten years. September was much below normal, October was above normal, and December and January were about on the normal scale.

Summary by Districts

The end of the 1932 growing season saw some satisfactory features in the moisture situation because of the above average precipitation during the spring and early summer. Due to the late summer drought, however, southern districts suffered severe depletion of reserves.

Fall moisture distribution was excellent in southern Alberta and northeastern Saskatchewan. It was good in parts of central Alberta, parts of eastern Saskatchewan and parts of southwestern Manitoba. It was fair in the Peace River area, in southern Saskatchewan and parts of south central Manitoba. It was below normal, although not seriously, in north central Alberta; central, southeastern and southwestern Saskatchewan; northwestern Saskatchewan, and west central and northwestern Manitoba. In northeastern Alberta it was rather poor.

WHEAT FOR EXPORT AND STOCKS DOWN

Total Available, 994 Million Bus. at Feb. 1; Decrease of 21 Million

Estimated world surplus of wheat available for export and carryover in chief exporting countries at Feb. 1, 1933, were 920 million bushels, compared with 927 million at Feb. 1, 1932, according to the United States Bureau of Agricultural Economics. Total United Kingdom port stocks and wheat afloat were ten million bushels lower at Feb. 1, 1933, than a year earlier. Total estimated exportable surpluses, plus port stocks and quantities afloat amounted to 994 million bushels at Feb. 1, 1933, compared with 973 million bushels a year previous.

World carryover at July 31, 1933, may be smaller than it was in 1932, since there were apparently smaller quantities available for export from Russia and the Danube basin at Feb. 1, 1933, than a year before. European stocks of wheat from the large 1932 harvest have also probably been materially reduced by now, and this may cause heavier shipments in the next four months than in the same period in 1932.

Surplus for export and carryover in the chief exporting countries, United Kingdom port stocks and stocks afloat at Feb. 1, 1932 and 1933, are shown below:

Exportable Wheat Surplus, U. K. Port Stocks and Stocks Afloat at Feb. 1
(000,000's omitted)

	1932 bushels	1933 bushels
United States:		
Domestic wheat	408	388
Canadian wheat	22	11
Canada:		
Domestic wheat	219	262
U. S. wheat	29	7
Argentina	126	131
Australia	123	123
Total	927	920
U. K. port stocks:		
Wheat	16	...
Flour (as wheat)	1	...
Afloat for U. K.	19	...
Afloat for Continent	14	...
Afloat for orders	17	...
Total	67	63
Grand total	994	973

Quebec Gold Output Higher in January

Quebec's gold production showed a considerable advance in January over the December figures, according to a report just issued by the Quebec Bureau of Mines.

The following tabulation gives comparative figures for January and December for asbestos, gold and silver, the copper production being reported only quarterly:

	Jan. 1933	Dec. 1932
Asbestos, tons	5,951	14,478
Gold, oz.	33,041	30,495
Silver, oz.	44,788	46,257

Australia Looks to Canada For World Wheat Parley

Australian observers appear to hope for discussion of reduction of world wheat acreage at the World's Grain Exhibition and Conference at Regina next July and August. An Australian conference on the subject is being held at Melbourne. Australia is reported to be shipping from 50 to 60 exhibits of grain to Regina for the world show.

U.S. Developments Dominate Outlook of Wheat Market

Factors of Surplus, New Crop and Exchange Discussed

ROOSEVELT'S PLANS VAGUE

Farm Board Stabilization Goes But Allottment Plan May Be Introduced

WINNIPEG. — Canadian observers who wish to keep track of current and prospective developments in the wheat market must be prepared to follow the situation in the United States during coming months with more than the usual degree of care.

In ordinary years the supply of and the demand for wheat there become part of the general world market, and were reflected from day to day and from hour to hour on all markets. But the problem to be solved during the coming months is the willingness and ability of the United States to keep its reserves out of world markets, thus removing them, or keeping them removed, from pressure on those markets.

United States Holds Aloof

For months past there has been a situation in which United States wheat prices have held at higher than the world basis, not so much by intention or willingness on the part of that country, but by the fact that pressure to sell wheat has been greater from other countries, which have insisted on underselling the United States in markets abroad. Prices in that country have formed a sort of ceiling to the height of which other prices could not be permitted to rise. Any attempt on the part of the United States to force selling would have resulted in a sharp decline of offering prices from countries which could not afford to allow the United States a share in world markets.

Somewhat to its own surprise, the United States has acquiesced in that situation. Much depends during the coming year on its continued acquiescence, which involves the continued ability of its market structure to support the presence of an unnecessary surplus now amounting to 250,000,000 bushels of wheat, which constitutes the greatest part of the world's surplus wheat.

United States Carryover

The United States began its current crop year, on July 1 last, with a carryover of 380,000,000 bushels of wheat. The carryover on July 1 next will probably be less than that quantity, possibly about 350,000,000 bushels, depending on a factor as yet undetermined, the extent to which wheat has been used up in feeding livestock on farms. Recent figures issued by the United States Department of Agriculture suggested that there might be no important decrease in the carryover. Since then private estimates have been issued on wheat in various positions, including that on farms, which seem to show about 80,000,000 bushels less United States wheat in existence than a year ago at this time, which would mean a probable reduction of the carryover by nearly 50,000,000 bushels.

Before world stocks of wheat started to accumulate a normal carryover for the United States was considered to be about 125,000,000 bushels.

United States production in 1932 was 732,000,000 bushels, against domestic needs calculated at from 650,000,000 bushels upward, depending upon the quantity of wheat fed to livestock. Net exports to the end of January were only 25,000,000 bushels, and it is doubtful if for the whole year they will exceed 40,000,000 bushels. So if the carryover is reduced at the end of the year a heavy consumption by livestock will be indicated.

Domestic Production in 1933

Tentative estimates of a winter wheat crop no larger than 375,000,000 bushels have been produced in the United States. If to that an average spring wheat crop of 250,000,000 bushels is added, the country will produce something less than its domestic requirements for a year. Last year's spring wheat crop was 265,000,000 bushels, that of the previous year was only 113,000,000 bushels, while in earlier years it went as high as 335,000,000 bushels.

Somewhat unsatisfactory tillage conditions, less than average subsoil moisture, lowered morale of farmers, and the possibility of a grasshopper plague, have produced a feeling in and around Minneapolis that something less than average production, rather than something more, is to be expected. Domestic requirements are somewhat elastic, in so far as feeding of wheat to livestock is concerned, but the possibility of production falling short of a year's consumption by 50,000,000 bushels, requiring an inroad to that extent on the carryover, has to be recognized.

Then the United States can export some quantities, perhaps up to 40,000,000 bushels of wheat to specialized markets, including the Italian market for durum wheat, without bringing the general level of prices down to world levels. Allow for these quantities, and a reduction of carryover on July 1 next of 50,000,000 bushels, and it would appear that the United States at July 1, 1934, must still have a carryover of 250,000,000 bushels of wheat as a minimum, while perhaps 300,000,000 bushels is the maximum that would be tolerated without forcing more wheat into export.

Who Carries the Load?

A given quantity of wheat is not such a burden on the market in the United States as would be the case in Canada. For one thing, domestic requirements are large, and flour grindings take at least 10,000,000 bushels of wheat off the market each week. Deliveries of wheat by farmers tend to be distributed more uniformly throughout the year than is the case in Canada. Nor is wheat so rigorously hedged in that country as in Canada. A multitude of small elevators and mills carry wheat without hedging, and a great quantity of flour can be carried by dealers. Nevertheless, large quantities of wheat must continue to be carried by farmers if prices are to be sustained at fair levels, and much will depend upon the farmers' ability and willingness to carry wheat. Apparently, below a certain minimum central market price farmers with the longer freight hauls to pay for, will simply not deliver wheat in quantity. But when prices rise beyond such a point it will probably require a certain confidence in future prices to sustain a policy of holding.

Exchange Value of U. S. Dollar

So long as United States dollar was valued at a considerable premium over the Canadian dollar, prices in that country tended to remain at approximately the same level, in cents per bushel, as prices in Canada, and the additional price of United States wheat to be expressed only in exchange. But if the United States dollar is going to come down in value, then United States prices, in cents per bushel, will have to rise, and by a considerable margin, to keep the old relationship unchanged.

To such a rise there may be resistance, because of increased willingness on the part of holders to sell, or because of development of reluctance on the part of holders to continue to hold. The price discrepancy between Winnipeg and Chicago might be more alarming when expressed as eight cents or more a bushel, than merely as a differential in exchange value.

End of Farm Board Stabilization

The complexion of the United States Farm Board has entirely changed, with its two principal members, the chairman and the secretary of agriculture, replaced by appointees of the new administration. It is believed that there is practically nothing of the Farm Board's stabilization operations to be wound up except the delivery of certain quantities of wheat to the Red Cross for free distribution, under authorizations previously made by Congress. The new chairman of the Farm Board has announced that stocks of cash wheat have been completely disposed of and 30,000,000 bushels of futures left. The passing of that institution from its former position as a market factor was regarded as a bullish factor in Chicago, as the fear of operations by the board will no longer deter those who wish to take a market position.

The Farm Board, it will be recalled, was the creation of the Hoover administration, and it was established by a special session of Congress, the main object of which was to consider farm relief, immediately after President Hoover assumed office in 1929. Undoubtedly, the special session to be called by President Roosevelt will also consider what can be done for the farmer, and this may take the form of some new interference with wheat marketing. The new administration is apparently as much committed to the idea of the domestic allotment scheme, of which Secretary of Agriculture Wallace has been a supporter, as the former administration was of "price stabilization" operations.

May Attempt Renewal

But the domestic allotment bill which failed to pass the last Congress, was badly mauled in the Senate and in the House of Representatives, and the enforced restriction of acreage which was one of its main features was cut out as impracticable. Without that the bill was simply a proposal to subsidize producers, principally of wheat, which, if enacted, could only lead to an increase in acreage. Congress is almost certain to attempt something in the way of a renewal of the whole proposal, and there is always the danger of some development which will be ultimately as harmful to the market as was the unfortunate venture with the Farm Board.

There might, for example, be an attempt to dump the United States surplus abroad at whatever can be got for it, while endeavoring, at the same time, either to hold up the domestic price, or to compensate the grower by subsidy. The market should be stronger if the administration decides that the short crop in prospect makes it unnecessary to hurry any scheme with respect to wheat, and that other matters should occupy the attention of Congress.

If, in spite of all the difficulties in the way, it appears that the United States market is likely to maintain its position well above world markets, not only for the remainder of the current crop year, but also during the next year, thus continuing to impound the greater part of the world wheat surplus within the United States, wheat surpluses in other parts of the world, and especially in Canada, would appear decidedly less important. European markets appear to be just now waking up to the possibilities in that direction.

Evidently crop, financial and political developments in the United States all require close watching by any observer of the Canadian wheat market.

January Income Prairie Farmer Down One Third

January income of the Prairie farmers was approximately one-third less than in the same month of 1932, according to a compilation made by the W. Sanford Evans Statistical Service, Winnipeg, based on the returns for wheat and other grains, livestock and butterfat. Income from wheat amounted to $2,877,900 compared with $4,354,057 in January, 1932, while income from other grains was $524,446 compared with $966,736.

For the five months ended Dec. 31, 1932, income from the above sources amounted to $100,785,633 compared with $105,187,164 in the same period of 1931, a decrease of 4 per cent. Larger marketing of wheat and other grain is responsible for the maintaining the total at much the same level as a year ago in the face of considerably lower returns from livestock and butter.

OUTPUT OF FLOUR AT LOWEST POINT IN MANY YEARS

Figures for 1932 Show Further Drop in Mill Activity

From Our Own Correspondent

MONTREAL—Canadian production and exports of flour during 1932 fell to the lowest point to be recorded in available figures covering the past twelve years. Output of Canadian mills was 14,465,164 barrels compared with 14,887,998 barrels in 1931, and exports were 5,151,781 barrels compared with 5,697,224 barrels in the previous year.

Continued declines in production resulting from lessening demand in export markets has found reflection in restricted mill operations. During 1932 mills operated at an average of 43 per cent of capacity whereas in the previous twelve months their activities averaged 49 per cent of capacity.

December Output Down

Flour production in December last totalled 1,009,799 barrels down from 1,175,152 barrels in the same month of the previous year and a decline of 933,000 barrels compared with November 1932. During the month of December mills operated at 35 per cent of capacity.

December exports, on the other hand, showed some improvement over the same month in 1931, totalling 492,033 barrels against 451,310 barrels in the same month of the preceding year. Declining exports have been responsible for the drop in flour output. Shipments in 1932 were 546,000 barrels below 1931 while total output dropped but 423,000 barrels.

SOFTER WHEATS ARE HARDEST HIT BY DUTCH QUOTA

Wheat Act Doubled Production in 1932—Need Hard Grades

Canada's wheat shipments to the Netherlands are likely to continue steady in spite of the quota restrictions on imports of wheat into that country. Domestic production of wheat practically doubled in 1932, but the need still exists for hard wheats for milling purposes, according to the Dominion Bureau of Statistics.

Canada's share of wheat imported by the Netherlands has been on the increase. In fact Canadian grain is said to dominate the Rotterdam market at present.

Imports from Canada in the last quarter of 1932 amounted to 89,631 metric tons, compared with 67,238 tons in the third quarter of 1932 and only 19,513 tons in the last quarter of 1931. Total imports into the Netherlands in the last quarter of 1932 were 196,616 metric tons, compared with 235,174 metric tons in the same period of 1931. Thus, while total Dutch imports of wheat have been less, Canada has increased her sales to the Netherlands.

The quota restrictions on imports of wheat into the Netherlands are similar to those of other European countries. It is compulsory to use 40 per cent domestic wheat in all mill grinds in Holland, and also for the admixture of domestic and imported flours under certain conditions.

The Dutch Government in 1931 guaranteed a price to domestic farmers for their wheat. The price was 15 florins per 100 kilos, about $1.63 a bushel at par. This so increased the domestic supply that farmers asked for an increase from 25 to 40 per cent in the flour content requirement. Otherwise domestic producers would have had to sell their excess wheat at much lower world prices. Thus the 40 per cent ratio was brought into effect. Restriction of acreage by one third has also been ordered.

Production Stimulated

The existence of the quota has stimulated domestic production. Farmers have preferred to turn some former sugar crop lands into wheat production. Estimated production in 1932 was 13,300,000 bus., compared with a former normal output of about six million bushels yearly. It is thought that the quota will perhaps decrease total imports, but only at the expense of soft wheats.

The chief reason for stimulation of domestic production of wheat is that the quota restriction has brought the domestic price to about three times the world level. There has apparently been some cost to the Dutch Government in handling the Wheat Act and obtaining this higher price for domestic production. Restriction is apparently to be attempted in 1933.

Halifax Shipping Activity

During January a total of 222 vessels, representing 915,095 tons net register, entered the Port of Halifax, of which 90 were ocean going and 132 were engaged in the coasting trade. Last year the number of ocean going was 179 and the coasting was 298.

Winnipeg Grain Prices

Week to March 7

Crop year from Aug. 1, 1932 High	Crop year from Aug. 1, 1932 Low		Open Mar. 1	High for week	Low for week	Close Mar. 7
		Wheat				
67⅝	.40½	May	.47¾	.52⅞	.47½	.51⅜
.54⅞	.41¾	July	.48¾	.53⅞	.48½	.52⅜
.55⅝	.46⅛	October	.50	.55⅜	.49¾	.54
		Oats				
.29½	.21⅛	May	.25⅛	.26⅛	.24¾	.25¾
.26	.21½	July	.23¼	.25⅛	.23	.24¾
.24⅛	.21⅞	October	.22¼	.24⅛	.22	.23¾
		Barley				
.38½	.26⅛	May	.29	.30½	.28½	.29¾
.35¾	.26	July	.28½	.30	.28⅞	.29⅜
.29½	.27¼	October	.....	.29¼	.27¼	.28½
		Flax				
.94	.71¼	May	.78⅞	.82¼	.78⅜	.80⅝
.84½	.71⅝	July	.78¾	.83	.78⅝	.80¾
.84	.76	October	.79	.83½	.79	.81½
		Rye				
.42⅞	.30¼	May	.....	.35½	.32⅞	.34¾
.37	.31	July	.33⅝	.36½	.33½	.35⅝
.37⅞	.34	October	.....	.37⅛	.34⅝	.36⅝

WHEAT

"One fact that still stands out is that commodities must eventually stand higher in terms of all currencies, whatever temporary situation may be created by freak exchange movements."

Bongard & Company
80 KING ST. WEST - TORONTO
Guelph, Kitchener, Windsor, Hamilton, St. Catharines
Winnipeg Grain Exchange / Chicago Board of Trade
Toronto Stock Exchange / Montreal Stock Exchange
New York Curb (Assoc.) / Montreal Curb Market
National Metal Exchange

CHINA IS ABSORBING AUSTRALIAN WHEAT

China has been a steady buyer of new crop Australian wheat during the present crop year. Purchases by Japan have not been up to expectations, it is reported, but have amounted to about 25 per cent of the shipments to China, which were estimated at over 24 million bushels to Jan. 18.

Exporting companies in Australia are reported to estimate that the far east will take half the Australian exportable surplus, according to the Canadian trade commissioner at Melbourne. Australian wheat available for export is estimated at 150 million bushels by the Dominion Bureau of Statistics. Some 72 million bushels had been shipped by Feb. 12. With a good demand from the Orient, and half the surplus sold, Australia will probably not be a large seller to Europe in competition with Argentinian and Canadian grain in coming months.

Australian flour millers are reported to have their capacity output sold up to the present time.

Despite a substantial depreciation of currency, prices of wheat in Australia are still said to be unprofitable to growers. Farmers have been getting from 2s. 3d. to 2s. 5d. a bushel at country points for their wheat, compared with the f.o.b. steamer price of 2s. 11d. At present exchange rates, this would mean 36 to 38 cents, Canadian, at country points and 48 cents f.o.b. steamer.

NORRIS GRAIN COMPANY LIMITED
Grain Exchange—Winnipeg 197 Bay Street—Toronto
PRIVATE WIRE SERVICE
Consignments and Futures Solicited
Offices:
Liverpool, London, Chicago, New York, Toledo, Kansas City

NATIONAL ELEVATOR CO., LTD.
HEAD OFFICE: WINNIPEG, MAN.
Western Offices: Calgary and Edmonton, Alta.
Operating 123 Country Elevators in the Three Western Provinces.
TERMINAL OFFICE: FORT WILLIAM, ONT.
We Specialize in Oat Sacking for Eastern Trade and the Manufacture of Poultry Feeds

WESTERN GRAIN COMPANY LIMITED
Country Elevators Serving the Producers in
MANITOBA, SASKATCHEWAN AND ALBERTA
WESTERN TERMINAL ELEVATOR, FORT WILLIAM
Cash and Futures Business Solicited
HEAD OFFICE: GRAIN EXCHANGE, WINNIPEG

FEDERAL
Grain Merchants
Three Terminal Elevators
Over 400 Country Elevators
Head Office: Winnipeg Branch Office: Calgary
GRAIN LIMITED

RELIANCE
GRAIN COMPANY LIMITED
Owners and Operators Country Elevators and Terminals
Exporters and Shippers
New York:
Smith Murphy Co. Inc., 510 Produce Exchange
Head Office: 919 Grain Exchange, Winnipeg
Branch Offices: Toronto and Vancouver

LAKE OF THE WOODS MILLING CO., Ltd.
Makers of FIVE ROSES FLOUR
Mills at
Montreal, Brantford, Keewatin, Portage la Prairie, Medicine Hat
DAILY CAPACITY 20,000 BARRELS
Vice-President HUGH MACKAY, K.C. / President and Managing Director FRANK S. MEIGHEN, C.M.G. / General Manager C. H. G. SHORT
Directors
N. J. BREEN, JOHN W. HOBBS, HUGH MACKAY, K.C.
WALTER MOLSON, ISAAC PITBLADO, K.C., R. W. REFORD
RT. HON. LORD SHAUGHNESSY, K.C., PAUL F. SISE, G. W. ALLAN, K.C.
HON. RODOLPHE LEMIEUX, J. W. PYKE
Secretary D. A. McINNES / Treasurer A. C. McMILLAN / Asst. Treasurer R. R. HUTCHISON

ESTD 1857
Grain Merchants Shippers & Exporters
75 Years' Experience in Domestic and Foreign Marketing of Grain
Pioneers in the Exporting of Grain from Western Canada
Correspondents in Every Foreign Port where Canadian Grain is sold
JAMES RICHARDSON & SONS LIMITED
OFFICES:
EXECUTIVE OFFICES - WINNIPEG EXPORT OFFICES - MONTREAL, VANCOUVER
KINGSTON-TORONTO-CALGARY-EDMONTON-MOOSE JAW-SASKATOON-REGINA

A. J. Pattison, Jr. & Co. LIMITED
INVESTMENT BANKERS
Dealers in Unlisted Bonds and Shares
Royal Bank Bldg. (Third Floor) Toronto, 2 Elgin 5101 10 Lines

CONDUITS LOSS USES UP SURPLUS

Working Capital Reduced But Position Remains Liquid; No Bank Loan

With building activity at a low level and sales necessarily small, Conduits Ltd. experienced a loss of $29,072 in 1932 after provision for depreciation and bad debts. This compares with a loss of $9,665 in the 14 months ended December 31, 1931. As a result of this loss, surplus carried forward from 1931 was wiped out and replaced by a deficit of $2,536. The company still retains a liquid position.

Cash has been reduced to $9,015 from $35,156; accounts receivable to $4,673 from $15,328 and inventories to $39,610 from $46,498. Cash surrender value of life insurance is up to $17,100 from $15,876. Accounts payable are down to $7,450 from $21,640 and miscellaneous accounts payable are down to $4,794 from $6,381. Working capital position is as follows:

Working Capital

	1932 $	1931 $
Current assets	70,398	112,858
Current liabilities	12,244	32,308
Working capital	58,154	80,550
Ratio	5.74—1	3.49—1

Fixed assets, after depreciation, are shown at $144,765 and goodwill at $218,801. There is outstanding, 2,450 shares of preferred stock and 60,000 shares of common stock. Public interest in the company is small since the redemption on January 1, 1931, of preferred shares held by the public.

Results of operations in the past two years are as follows:

Income and Surplus Account

	Year end. Dec. 31 1932 $	14 Mos. end. Dec. 31 1931 $
Loss for period	29,072	9,665
Income tax	918	......
	*29,990	9,665
Less appropriations: Pref. dividend	......	17,150
Deficit for period	29,990	26,815
Add: Sundry balance	27,454	38,174
Sundry credits	......	16,095
Balance forward	†2,536	27,454

*Loss. †Deficit.

GENERAL TRUST OF CANADA
Complete Trust Service—Capital paid up $1,105,000
HON. J. M. WILSON, *President*
BEAUDRY LEMAN, *Vice-president*
HON. D. O. LESPERANCE, *Vice-president*
RENE MORIN, *General Manager*
112 ST. JAMES ST. WEST - MONTREAL

Dominion Foundries & Steel Limited
STEEL PLATE STEEL FORGINGS
STEEL CASTINGS
For Every Purpose
Hamilton Ontario

New Board Room
Now open on Ground Floor, BROCK BLDG.
200 BAY STREET
Toronto, New York and Mining Quotations
PLAYFAIR & Co.
Members Toronto Stock Exchange

J. H. HIRSHHORN & CO.
INVESTMENT SECURITIES
50 Broad Street - New York
Announce the opening of a Canadian office located at
302 Bay Street
Trusts and Guarantee Building
TORONTO
Telephone WAverley 3041-2-3
Wire Connections With New York

Before You Invest in Mining Stocks
Send for a Copy of
THE FINANCIAL POST
Survey of Mines 1933
A complete record of mining activities in Canada and Newfoundland
A Big Book, 188 Pages
On producing companies there is a full record of production, mining costs, earnings and dividends, financial structure and history and details as to personnel and directorate.
Companies under development are fully covered with present status of operations, together with names of directors and officers.
A supplementary list of inactive and extinct companies is included.
Names and addresses of leading mining engineers, geologists and mine managers are given.
A list of newly incorporated mining companies is also given.
Price $2.00. Order a Copy Now
USE THE COUPON
THE FINANCIAL POST,
[illegible] University Ave., Toronto, Canada.
[illegible] Please send me postpaid a copy of The Financial Post Survey
Name ....
Address ....
.... 296

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING MARCH 6

Range 1933 High	Range 1933 Low	Divd. Rate in $	Yield in % Mar. 4		Sales	Close Feb. 27 (or last)	Week Ending —Mar. 6— High	Low	Close
				A					
⅜	½	.	...	Abitibi	50	½	⅜	½	⅛
1½	1	.	...	Do. pref. 6%	....	1½	..	..	..
x80	80	7	...	Acme F. D'y p	....	..	..	..	..
x5	4½	.	...	Agnew Surp.	....	..	..	..	..
60	60	7	11.7	Do. pref.	....	60	..	..	..
4	2½	.	...	Alta. Pac. Gr.	95	3½	3½	3½	3½
23¼	20	.	...	Do. pref.	10	20½	23½	23½	23½
x3½	1½	.	...	Amal. Electric	....	..	..	..	..
4	4	.	...	Do. pref.	....	4	..	..	..
†3½	3½	.	...	Anglo. N. Hold.	....	..	..	..	..
.25	.15	.	...	Asbestos	100	.25	.15	.15	.15
.60	.50	.	...	Do. pref.	5	.60	.50	.50	.50
5	4	.	...	Assoc. Brew.	....	4	..	..	..
72	65	7	10.8	Do. pref.	....	65	..	..	..
x3	3	.	...	Assoc. Can.	....	..	..	..	..
†69	65	.	...	Assoc. Tele.	....	..	..	..	..
x80	16	.	...	Atlan. Sugar	....	..	..	..	..
x120	92	.	...	Do. pref.	....	..	..	..	..
				B					
130	128	10	7.7	Bk. Can. Nat.	157	130	130	130	130
189	164½	10	6.1	Bk. Montreal	227	168	168	164½	164½
265	247	14	5.6	Bk. N. Scotia	135	254	258	247	247
172	160	10	6.1	Bk. Toronto	65	165	164	160	160
x10½	10¼	.	...	Barcelona	....	..	..	..	..
2½	1	.	...	Bathurst Pr.	....	2	..	..	..
x1½	½	.	...	Do. (B)	....	1	..	..	..
†26	26	.	...	Bawlf Grain	....	..	..	..	..
x20	15	.	...	Do. pref.	....	15	..	..	..
4	3	.	...	Beath & Sons	20	4	3	3	3
5	3½	.	...	Beatty Bros. A	50	4½	4½	4½	4½
57	56	6	10.7	Do. pref.	....	56	..	..	..
1.50	.70	.	...	Beauharnois	7355	.85	.85	.80	.80
x63	60	7	...	Belding Cort.	....	63	..	..	..
89	89	7	7.9	Do. pref.	....	89	..	..	..
100	80	6	7.1	Bell Telephone	552	84½	85	83½	85
8½	3½	.	...	Biltmore Hats	....	3½	..	..	..
65	62	7	11.3	Do. pref.	....	62	..	..	..
x4	1½	.	...	Bissell, T. E.	....	1½	..	..	..
†97	88	.	...	Do. pref.	....	..	..	..	..
x8	2	.	...	Blue Ribbon	....	2	..	..	..
12	10	2	18.1	Do. pref.	15	11	11	11	11
20	19	2	10.5	Brant. Cd. pf.	100	19	19	19	19
10	7	.	...	Brazilian Tr.	4770	7⅝	8	7	7½
.70	.55	.	...	Brew. & Distil.	....	.55	..	..	..
.25	.12	.	...	Brewing Corp.	12	.15	.15	.15	.15
1½	1	.	...	Do. pref.	....	1	..	..	..
8½	7½	80c	10	Brit. Amer. Oil	3096	8	8½	8	8½
1⅜	1	.	...	B.C. Packers	15	1½	1⅜	1	1
12	6	.	...	Do. pref.	10	12	11	11	11
16¾	14	2	13.1	B.C. Power (A)	536	15½	15½	15	15½
4¼	3	.	...	Do. (B)	5	3½	3½	3½	3½
4¼	3	.	...	Bruck S. Mills	....	3	..	..	..
12¼	10½	1	9.3	Building Prod.	40	11	10¾	10¾	10¾
28	20	2	9.7	Burt, F. N.	5	20½	20½	20½	20½
				C					
x125	120	6	5	Calgary Pr.	....	120	..	..	..
1¼	1¼	.	...	Canada Bread	30	1¼	1¼	1¼	1¼
68	68	7	10.3	Do. pref. A.	....	68	..	..	..
10	10	.	...	Do. pref. B.	....	10	..	..	..
7¼	6	1	15.1	Canada Bud	205	6⅝	6⅞	6⅝	6⅝
3¼	2½	.	...	Canada Cement	425	2½	2⅞	2⅝	2⅝
20¼	15	.	...	Do. pref.	303	17	16	15	15
b10¾	7½	1	12.1	Canada Dry	800	7½	8¼	7⅝	8¼
4	2	.	...	Can. Forg. (A)	50	4	4	4	4
x7¼	2	.	...	Do. (B)	....	7½	..	..	..
x15	15	.	...	Canada Iron	....	15	..	..	..
†80	75	3	...	Do. pref.	....	..	..	..	..
425	425	20	4.7	Canada Life	....	425	..	..	..
14¼	13⅜	1.50	11.2	Can. Malting	232	14	14	13⅜	13⅜
13	12	80c	6.7	Can. Nor. Pr.	....	12	..	..	..
71¼	65	7	10	Do. pref.	14	70	70½	70	70½
†6	..	.	...	Can. Paving	....	..	..	..	..
10	4	.	...	Do. pref.	....	4	..	..	..
153	132	10	7.4	Can. Perman.	9	135	135	132	135
x1.00	.50	.	...	Can. Pr. & Pa.	....	.55	..	..	..
1¼	1¼	.	...	Can. Steamsh's	10	1¼	1¼	1¼	1¼
4	2	.	...	Do. pref.	440	3	2½	2	2
15¼	13½	1.60	10.9	Can. Vinegars	35	14¾	15	14⅝	14⅝
x55	28¼	.	...	Can. W. Cable	....	32	..	..	..
8½	8	.	...	Do. (B)	....	8	..	..	..
x1¼	1¼	.	...	Can. Bakeries	....	1¼	..	..	..
5	5	.	...	Do. pref.	5	5	5	5	5
140	125	10	7.9	Can. Bk. Com.	112	127	128	126	126
14½	10	1.25	12.5	Can. Bronze	25	12	10	10	10
81	78¼	7	8.7	Do. pref.	....	80	..	..	..
3¼	2½	.	...	Can. Canners	255	2½	3	2½	2½
55	50¼	6	11.3	Do. 1st pfd.	20	53½	53	53	53
5¼	4¼	40c	8.4	Do. 2nd pfd.	145	4¾	5	4½	4½
4¼	3½	.	...	Can. Car & F'y	80	3½	3½	3⅜	3⅜
12	10	1.75	16.3	Do. pref.	520	11	11	10⅝	10¾
9¼	6½	.	...	Can. Celanese	....	6½	..	..	..
84	72	7	9.6	Do. pref.	120	77	78	72	72
16	12	2	16.7	Can. Convert.	....	12	..	..	..
‡50	45	.	...	Can. Cottons	....	..	..	..	..
47	47	6	12.8	Do. pref.	....	47	..	..	..
13¾	10	1	...	Can. Dredge	70	10½	11½	10	10
†92	92	7	...	Do. pref.	....	..	..	..	..
x68	60	6	...	Can. Fairb. pf.	....	60	..	..	..
2¼	2¼	.	...	Can. For. Inv.	50	2⅛	2⅛	2⅛	2½
35	35	2¼	...	Do. pref.	....	35	..	..	..
100	100	4	4	Can. Gen. Elec.	....	100	..	..	..
56¼	53¼	3.50	6.4	Do. pref.	5	53½	55	55	55
x3¾	3¼	.	...	Can. G. Inv. T.	....	3¾	..	..	..
41	35½	6	16.2	Can. Hyd. El. p	170	38	37½	36	37
2¼	1½	.	...	Can. Ind. Alc.	160	1⅞	1⅞	1½	1½
1¾	1	.	...	Do. (B)	15	1⅞	1⅞	1½	1½
†5.00	3.95	.	...	Can. Int. I. Tr.	....	..	..	..	..
†70	64½	.	...	Do. pref.	....	..	..	..	..
x21	15	1	...	Can. Lt. & Pr.	....	..	..	..	..
x1¼	1	.	...	Can. Locomo.	....	1	..	..	..
‡25	5	.	...	Do. pref.	....	..	..	..	..
b1½	..	.	...	Can. Marconi	11200	1⅜	1	⅞	⅞
10	7	50c	7.1	Canadian Oil	35	7	7	7	7
96	92	8	8.7	Do. pref.	....	92	..	..	..
16¼	9¼	.	...	Can. Pacific	10015	10	11⅛	9⅝	11⅛
1	1	.	...	Can. Vickers	25	1	1	1	1
5	5	.	...	Do. pref.	5	5	5	5	5
2¼	1½	20c	9.4	Can. Wineries	....	2⅛	..	..	..
4¼	3	.	...	Can. Wire Box	10	3½	3	3	3
6½	5¼	.	...	Catelli Mac. A	....	6	..	..	..
†5	5	.	...	Do. (B)	....	..	..	..	..
†301	290	10	...	Cent. Can. L'n.	....	..	..	..	..
.90	.55	.	...	Chem. Research	700	.65	.62	.61	.62
.80	.25	.	...	Claude Neon	....	.25	..	..	..
4½	3	.	...	Cockshutt Plow	1345	3½	4¼	3¼	4¼
x2	½	.	...	Comm. Alcohol	....	1⅞	..	..	..
x3½	1	.	...	Conduits	....	1½	..	..	..
†94	84	.	...	Do. pref.	....	..	..	..	..
3¼	2	.	...	Cons. Bakeries	506	2⅝	2⅝	2⅝	2⅝
1½	1½	.	...	Cons. Industries	....	1½	..	..	..
x4	4	.	...	Cons. Paper	....	4	..	..	..
5	3½	.	...	Cons. Press	50	4	3½	3½	3½
x35	30	.	...	Cons. Sand. p.	....	35	..	..	..
68	54	10%▲	...	Cons. Smelters	3084	58½	59¼	54	59½
180	170	10	5.6	Consumers Gas	89	177	179½	177½	179
‡35	30	.	...	Cooksville Co.	....	..	..	..	..
‡85	85	.	...	Do. pref.	....	..	..	..	..
†20¼	15	.	...	Corpor. Steel	....	..	..	..	..
‡90	90	.	...	Corr. P. Box p.	....	..	..	..	..
1½	1½	.	...	Cosgrave Brew.	75	1½	1⅞	1⅞	1⅝
3	3	.	...	Cosmos Imp.	....	3	..	..	..
47¼	46¼	3.50	7.5	Do. pref.	....	46½	..	..	..
3¼	2	.	...	Crown Dom. Oil	25	2	2	2	2
20	20	6	...	Crow's N. Coal	....	20	..	..	..
				D					
1½	1½	.	...	David & Fre. B.	....	1½	..	..	..
†12¾	12¾	.	...	De Havilland	....	..	..	..	..
x15	10	.	...	Do. pref.	....	10	..	..	..
†9	5	.	...	Disher Steel	....	..	..	..	..
†10	10	.	...	Do. pref.	....	..	..	..	..
5¼	4	.	...	Distill-Seagram	420	4½	4½	4	4
5	5	.	...	Dodge (A) pf.	....	5	..	..	..
x2	1½	.	...	Do. (B)	....	2	..	..	..
148	135	10	7.3	Dom. Bank	23	139	140	135	135
18	13½	2	12.5	Dom. Bridge	569	15½	16	15¼	15½
x4	4	.	...	Dom. Coal	....	4	..	..	..
12	10	.	...	Dom. Engineer	....	11⅞	..	..	..
58	35	5	12.5	Dom. Glass	50	36	40	40	40
102	100	7	7	Do. pref.	5	100	100	100	100
2¼	1½	.	...	Dom. Motors	410	1⅞	1½	1½	1½
2	1½	.	...	Dom. Pr. Stubs	....	1½	..	..	..
1.12	.50	.	...	Dom. St. & C B	900	.50	.70	.50	.60
17¼	12¼	1.20	8.6	Dom. Stores	1010	13	14½	13⅞	14
1½	1¼	.	...	Dom. Tar & Ch.	....	1½	..	..	..
9	5	.	...	Do. pref.	25	5	6	6	6
52¼	45	4	8.9	Dom. Textile	20	45	45	45	45
97¼	95	7	7.2	Do. pref.	10	97	97½	97½	97½
†12	10	.	...	Donnacona	....	..	..	..	..
1¼	½	.	...	Dryden Paper	25	1	¾	¾	¾
1	1	.	...	Duff. Paving	....	1	..	..	..
10	5	.	...	Do. pref.	....	10	..	..	..
				E					
x30	3	.	...	East. Koot. Pr.	....	3	..	..	..
†97	94½	.	...	Do. pref.	....	..	..	..	..
5	2½	.	...	East. Dairies	10	3	2½	2½	2½
x9½	9½	.	...	East. Steel	....	9½	..	..	..
x74	74	7	...	Do. pref.	....	74	..	..	..
†34	34	2	...	East. Theatres	....	..	..	..	..
†85	80	7	...	Do. pref.	....	..	..	..	..
x1	1	.	...	Easy Washer	....	1	..	..	..
8	7	75c	9.4	Economic Inv.	25	7	8	8	8
†15	15	.	...	Edmonton D'y.	....	..	..	..	..
†80	78½	6.50	...	Do. pref.	....	..	..	..	..
x4	4	.	...	Enam. & Heat.	....	4	..	..	..
8	5	.	...	Eng. Electric	5	5	8	8	8
1¼	1¼	.	...	Do. (B)	....	1¼	..	..	..
				F					
x8	6	.	...	Fam. Players	....	..	..	..	..
x10	7½	.	...	Do. Vot. Tr.	....	..	..	..	..
10	8½	25c	...	Fanny Farmer	....	9	..	..	..
23	23	2.40	10.4	Do. pref.	....	23	..	..	..
†83½	75	.	...	Firstbrook Box	....	..	..	..	..
8	6	.	...	Ford Motors A	2427	6¼	6⅛	6	6⅛
1¼	1¼	.	...	For. Pr. Secs.	....	1½	..	..	..
x9	4	.	...	Foundation Co.	....	4	..	..	..
.25	.25	.	...	Fraser Cos.	10	.25	.25	.25	.25
x50	50	.	...	Front. Brew.	....	50	..	..	..
x50	50	.	...	Do. pref.	....	50	..	..	..
†8	5	.	...	Frost Steel	....	..	..	..	..
x37	35	.	...	Do. pref.	....	35	..	..	..
				G					
1.12	.70	.	...	Gen. St. Wares	495	.80	.80	.75	.75
67¼	40	5	11.4	Goodyear Tire	142	47	47	40	42
91	84½	7	8.1	Do. pref.	80	86	87½	84½	84½
†93½	93½	.	...	Gould Pumps, p	....	..	..	..	..
¾	..	.	...	Gt. W. Saddlery	....	⅛	..	..	..
x8	5	.	...	Do. pref.	....	8	..	..	..
7½	5	60c	12	Gurd, Chas.	75	5	5	5	5
x106	100	7	...	Do. pref.	....	100	..	..	..
2¼	1½	.	...	Gypsum, Lime.	1000	1⅛	1½	1½	1½
				H					
3¼	2¼	.	...	Ham. Bridge	....	3	..	..	..
x60	44½	.	...	Do. pref.	....	45	..	..	..
5¼	5¼	.	...	Ham. Cot., pf.	....	5¼	..	..	..
2¼	2¼	.	...	Ham. U. Theat.	....	2¼	..	..	..
x53	30	7	...	Do. pref.	....	..	..	..	..
¾	¾	.	...	Hayes Wheel	....	¾	..	..	..
x4	4	.	...	Do. pref.	....	4	..	..	..
‡50	50	.	...	Hillcrest Coll.	....	..	..	..	..
‡91	91	.	...	Do. pref.	....	..	..	..	..
3	2	.	...	Hinde & Dauch	120	3	2½	2	2½
†75	75	.	...	Holt Renfrew	....	..	..	..	..
‡96½	90	7	...	Do. pref.	....	..	..	..	..
½	¼	.	...	Honey Dew	10	½	..	..	..
7	5	.	...	Do. pref.	15	7	5½	5	5½
2¼	2	.	...	H. Smith Pap.	50	2	2	2	2

Range 1933 High	Range 1933 Low	Divd. Rate in $	Yield in % Mar. 4		Sales	Close Feb. 27 (or last)	Week Ending —Mar. 6— High	Low	Close
x27	16	.	...	Do. pref.	....	16	..	..	..
17	14½	2	13.3	Humberstone S	....	14½	..	..	..
8	5	50c	10	Hunt (A)	80	5	5	5	5
5	5	50c	10	Do. (B)	40	..	5	5	5
102	83	8	9.4	Huron & E. Mt.	35	83	85	85	85
18	14	.	...	Do. 20% pd.	37	14½	16	16	16
x11½	4¼	.	...	Hydro Electric	....	6	..	..	..
				I					
158	140	10	7.1	Imperial Bank	10	140	141	141	141
9½	8	50c	6.1	Imperial Oil	10466	8¼	8¼	8	8¼
8½	7	35c*	4.4	Imperial Tob.	974	7⅝	8	7⅝	7⅝
†80	80	8	...	Inter. Coal, p	....	..	..	..	..
x6	6	.	...	Int. Hyd. E. A	....	..	..	..	..
100	98	7	7	Inter. Mill. pf.	5	99	100	100	100
85½	84	6	7	Do. Series A	20	85	85½	85½	85½
10⅜	8	.	...	Inter. Nickel	42598	8⅜	9	8	9
x4	4	.	...	Inter. Paints	....	4	..	..	..
b1⅜	⅞	.	...	Int. Pa. & Pr. A	....	⅞	..	..	..
b1⅛	⅝	.	...	Do. (B)	....	⅝	..	..	..
b⅝	⅜	.	...	Do. (C)	100	..	⅜	⅜	⅜
b4½	2¼	.	...	Do. pref.	....	2¼	..	..	..
12⅜	10⅛	1	8.9	Inter. Pete.	2613	11	11¼	10⅝	10⅝
x2½	2½	.	...	Inter. Power	300	2¼	2¼	2¼	2¼
x20	20	.	...	Do. pref.	....	..	..	..	..
7	6½	.	...	Int. Util. (A)	20	6½	6½	6½	6½
1⅛	1	.	...	Do. (B)	75	1⅛	1⅛	1⅛	1⅛
				J					
†40	40	1	...	Jam. Pub. Ser.	....	..	..	..	..
75	75	7	9.3	Do. pref.	....	75	..	..	..
				K					
1½	1	.	...	Kelvinator	....	1	..	..	..
57	57	7	12.3	Do. pref.	....	57	..	..	..
				L					
6	5	.	...	Lake of Woods	35	5	5	5	5
34	30	.	...	Do. pref.	....	34	..	..	..
80	80	6	7.5	Landed Bank.	....	80	..	..	..
40	36	3	7.7	Laura Secord	35	38	40	39	39
1⅞	1¾	.	...	Lindsay, C. W.	....	1⅞	..	..	..
x69	36	6.50	...	Do. pref.	....	39	..	..	..
12	10⅜	80c	7.2	Loblaw (A)	1700	11¼	11⅜	11	11
11½	10⅜	80c	7.4	Do. (B)	34	11¼	11	10⅞	10⅞
‡2⅞	2⅜	.	...	Loew's, London	....	..	..	..	..
				M					
†25	19	.	...	MacKin. Steel	....	..	..	..	..
†95	90	3.50	...	Do. pref.	....	..	..	..	..
3½	3½	.	...	Manitoba Pr.	....	3½	..	..	..
x5	2	.	...	Maple Leaf	....	3	..	..	..
6½	5	.	...	Do. pref.	10	6	6¼	6¼	6¼
6	6	.	...	Marcus Loew's	....	6	..	..	..
35	35	.	...	Do. pref.	....	35	..	..	..
3¾	2⅞	.	...	Massey-Harris	4408	2⅞	3	2⅞	2⅞
9	7	60c	7.8	McColl Fron.	595	7⅞	7⅞	7⅞	7⅞
61	59	6	10.2	Do. pref.	5	61	59	59	59
†45	35	.	...	Mexican L & P	....	..	..	..	..
‡35	25	.	...	Mercury Mills	....	..	..	..	..
‡89	58½	.	...	Do. pref.	....	..	..	..	..
†40½	40	.	...	Mitchell, J. S.	....	..	..	..	..
x105	105	7	...	Do. pref.	....	105	..	..	..
4½	2	.	...	Mitchell, Robt.	105	3	3	2	2
†1	1	.	...	Monarch Knit.	....	..	..	..	..
x30	20	.	...	Do. pref.	....	20	..	..	..
x75	45	.	...	Montreal Cot.	....	50	..	..	..
x75	65	7	...	Do. pref.	....	68½	..	..	..
¼	¼	.	...	Montreal Exhib	....	¼	..	..	..
x11	5	.	...	Mont. Is. Pr.	....	5	..	..	..
32½	27½	1.50	5.3	Mont. L. & Pr.	4854	28	29	28	28⅞
x48	40	3+25	7.5	Montreal Loan	....	43¼	..	..	..
43	42	3.20	7.4	Montreal Tele.	1	43	43	43	43
100	95	9	9.4	Montreal Trams	5	96	95½	95½	95½
7	5½	.	...	Moore Corp.	100	5¼	5⅝	5½	5½
79½	70	7	9.7	Do. (A)	20	70	72	71	71
86½	80	7	8.7	Do. (B)	10	85	80	80	80
‡10	10	.	...	Mt. Royal Hot.	....	..	..	..	..
‡49	49	.	...	Do. pref.	....	..	..	..	..
½	¼	.	...	Muirheads	....	¼	..	..	..
7	5	.	...	Do. pref.	....	7	..	..	..
				N					
16⅞	14¼	1.60	10.7	Nat. Brew.	1135	14¼	15	14¼	14¼
29½	27	1.75	6.4	Do. pref.	160	27¼	27½	27¼	27¼
x⅜	¼	.	...	Nat. Brick	....	⅛	..	..	..
x3	3	.	...	Do. pref.	....	3	..	..	..
16	16	2.40	15	N. Sew. Pipe A	....	16	..	..	..
9	5¼	80c	13.9	Nat. Steel Car	510	5¼	6	5¼	6
212	200	12	6	National Tr.	....	200	..	..	..
x10	10	.	...	Niag. W. Weav	....	..	..	..	..
x20	16	.	...	Do. pref.	....	..	..	..	..
1.50	1.37	.	...	North Star Oil	....	1.37	..	..	..
3.00	3.00	35c	11.6	Do. pref.	....	3.00	..	..	..
‡25	25	.	...	N.S. Steel, pf.	....	..	..	..	..
				O					
116	100	8	8	Ogilvie Flour	120	105	105	100	100
115	108	7	6.1	Do. pref.	15	112	115	115	115
5¼	5	.	...	Ont. Eq. 10% p	15	5⅛	5¼	5¼	5¼
105	105	6	5.7	Ontario Loan	12	105	105	105	105
x7	5	.	...	Ont. Silknit	....	..	..	..	..
†16	13	.	...	Ont. Steel	....	..	..	..	..
‡105	105	.	...	Do. pref.	....	..	..	..	..
⅝	⅝	.	...	Orange Crush	....	⅛	..	..	..
x48	18	.	...	Do. (A)	....	18	..	..	..
x⅛	⅛	.	...	Do. (B)	....	½	..	..	..
88	84	6	6.8	Ott. L. H. & P.	135	88	88	84	84
90	85	6.50	7.6	Do. pref.	10	89	85	85	85
8	8	.	...	Ott. Traction	10	8	8	8	8
				P					
53½	40	3	7.5	Page Hersey	130	43¼	43	40	40
b2¼	..	.	...	Paramount	10400	[illegible]	[illegible]	[illegible]	[illegible]
x20	20	.	...	Paton Mfg.	....	20	..	..	..
†94	94	.	...	Do. pref.	....	..	..	..	..
¼	¼	.	...	Pelissiers	....	¼	..	..	..
†30	25	.	...	Do. pref.	....	..	..	..	..
28	20	3	12.5	Penmans	30	25	24	24	24
75	70	6	8.6	Do. pref.	25	..	75	70	71
9½	8½	.	...	Photo Eng.	50	8½	8½	8½	8½
†70	64	7	...	Porto Rico Pr. p	....	..	..	..	..
b7⅝	4	.	...	Postal Tele. p.	....	..	..	..	..
8⅞	6	.	...	Power Corp.	650	6½	6⅝	6½	6½
38½	38½	6	15.6	Do. pref.	....	38½	..	..	..
1	1	.	...	Prairie C. Oil	....	1	..	..	..
16	10	.	...	Pressed Metals	15	10¼	10	10	10
4⅞	4⅜	.	...	Price Bros.	....	4⅜	..	..	..
x2	2	.	...	Do. pref.	....	..	..	..	..
				Q					
14	11½	1	8.3	Quebec Power	185	12	12	11½	12
				R					
95	85	7	8.2	Real Estate L'n	....	85	..	..	..
.65	.50	.	...	Regent Knit.	45	.65	.50	.50	.50
x10	5¼	.	...	Reliance Grain	....	9	..	..	..
8¼	7	1	12.5	River. S. Mills	....	8	..	..	..
5	5	1	20	Robinson Cone	....	5	..	..	..
1	¼	.	...	Rogers Majes.	....	¾	..	..	..
143	129¾	10	7.7	Royal Bank	385	132	131¼	129	130
†84	75	.	...	Ruddy, E. L. p	....	..	..	..	..
x33	32½	.	...	Russell Motor	....	32½	..	..	..
45	44	7	15.9	Do. pref.	....	44	..	..	..
				S					
x4	3	.	...	Sarnia Br. A	....	3	..	..	..
x1	1	.	...	Do. (B)	....	1	..	..	..
3½	3	.	...	Service Station	465	3	3⅛	3	3⅛
25	20	.	...	Do. pref.	5	25	22	22	22
13⅞	9¼	50c	4.8	Shawinigan	2173	10	11	9⅞	11
8	..	.	...	Sher.-Wms.	265	6½	6½	4	4
60	50	.	...	Do. pref.	50	60	60	50	50
x17	5	.	...	Simon & Son	....	5½	..	..	..
x80	60	.	...	Do. pref.	....	60	..	..	..
12	6	.	...	Simpson, Ltd.	15	7	7	6	7
†44½	36	.	...	Do. (A)	....	..	..	..	..
x9	9	.	...	Do. (B)	....	..	..	..	..
74	46½	6	12.9	Simpson, R., p	21	50	50	46½	46½
15	12	1	8.3	So. Can. Pr.	....	12	..	..	..
79	68	6	8.6	Do. pref.	68	70	70	68	70
.35	.25	.	...	St. Law. Corp.	150	.30	.30	.25	.30
1⅛	1	.	...	Do. (A)	35	1½	1	1	1
15	15	1.50	10	St. Law. Flour	5	..	15	15	15
x99½	70	7	...	Do. pref.	....	99½	..	..	..
4⅛	2¼	.	...	St. Law. Pa. p	25	4	4⅛	4⅛	4⅛
1	¼	.	...	St. Pav. & Mat.	....	¾	..	..	..
x46	25	.	...	Do. pref.	....	29½	..	..	..
x6	4	50c	...	Stand. Chem.	....	6	..	..	..
2⅛	1	.	...	Stand. Steel	....	1½	..	..	..
†85	30	.	...	Do. pref.	....	..	..	..	..
17½	14½	1.75	11.7	Steel of Can.	485	15¼	15¼	14⅞	15
27	24¾	1.75	7	Do. pref.	235	25	26	24¾	26
x1½	½	.	...	Sterling Coal	....	1	..	..	..
x300	290	.	...	Sun Life Ass.	....	290	..	..	..
14	11½	1	8.3	Sup. Pete. ord.	60	11½	12	11½	12
13	12	1	8.3	Do. com.	27	12½	12	12	12
96	93	7	7.3	Do. pref.	....	96	..	..	..
				T					
x42	35	.	...	Tamblyn	....	40	..	..	..
88	82	7	8.5	Do. pref.	....	82	..	..	..
10	10	.	...	Thayers, pfd.	5	..	10	10	10
3	1	.	...	Tip Top Tailors	10	1	3	3	3
35	35	7	...	Do. pref.	2	..	35	35	35
†22	10	.	...	Tooke Bros.	....	..	..	..	..
†67	48½	.	...	Do. pref.	....	..	..	..	..
14	12½	1	...	Tor. Elevators	....	13	..	..	..
167	160	10	6.2	Tor. Gen. Tr.	....	160	..	..	..
98½	92	6	6.5	Toronto Mtge.	....	92	..	..	..
x¼	¼	.	...	Traymore	....	¼	..	..	..
2	2	.	...	Do. pref.	....	2	..	..	..
110	107	7	6.4	Tuckett Tob. p	20	110	110	110	110
1½	1½	.	...	Twin City	20	..	1½	1½	1½
b7½	7	.	...	Do. pref.	....	..	..	..	..
x37	23	.	...	Do. (notes)	....	..	..	..	..
				U					
4	2¼	.	...	Union Gas	100	3	2¼	2¼	2¼
x100	85	.	...	Union Trust	....	85	..	..	..
†8	8	.	...	United Fuel	....	..	..	..	..
9½	5	.	...	Do. pref.	48	6	6	6	6
19½	19½	2	10.2	United Secs.	....	19½	..	..	..
				V					
x11	5	.	...	Viau Biscuit	....	5	..	..	..
x75	59	.	...	Do. pref.	....	59	..	..	..
				W					
7	4	.	...	Wabasso Cot.	....	4	..	..	..
5½	4	.	...	Walker-Good.	2086	4	4¼	4	4¼
9½	9½	1	10.7	Do. pref.	1907	9⅜	9⅜	9⅜	9⅜
1⅛	1⅛	.	...	Waterloo Mfg.	....	1⅛	..	..	..
x80	75	7	...	W. Koot. Pr. p	....	80	..	..	..
4	4	.	...	West. C. Flour	....	4	..	..	..
55	53½	3	5.6	Do. pref.	....	53½	..	..	..
x12¼	10	.	...	West. Grocers	....	11¼	..	..	..
55	54	7	12.9	Do. pref.	10	55	54	54	54
†91	85	.	...	W. Steel Pr. p	....	..	..	..	..
20⅛	18	1	5.3	Weston Bisc.	....	19	..	..	..
71	67	7	10.4	Do. pref.	....	67	..	..	..
3	3	.	...	Windsor Hotel	....	3	..	..	..
10	9	.	...	Do. pref.	....	9	..	..	..
3½	2	.	...	Winnipeg Elec.	431	2¼	2¼	2	2
8	5	.	...	Do. pref.	110	5	5	5	5
†46	46	.	...	Woods Mfg. p.	....	..	..	..	..
				Z					
x1	1	.	...	Zimmerknit, c.	....	1	..	..	..

x Quotations for 1932. No sales recorded in 1933 to date.
† Quotations for 1931.
‡ Quotations for 1930.
b New York Quotations.
▲ Stock dividend.
♦ On account of arrears covering quarter ended Mar. 31, 1932.
* Plus final dividend of 17½c. payable Mar. 31.

Dividends Declared

	Present Annual rate	Amt. this payment	Date payable	Date of record
Agnew Surpass, pref.	7%	1¾%	Apr. 1	Mar. 15
Assoc. Breweries, pfd.	$7	$1.75	Apr. 1	Mar. 15
Bell Telephone	6%	1½%	Apr. 15	Mar. 23
Brit. Col. Power "A"	$2	50c	Apr. 15	Mar. 31
Brazilian Traction, pfd.	6%	1½%	Apr. 1	Mar. 15
Burt, F. N.	$2	50c	Apr. 1	Mar. 15
Do., pref.	$7	$1.75	Apr. 1	Mar. 15
Brit. Amer. Oil (No. 12)	80c	20c	Apr. 1	Mar. 15
Bk. of Nova Scotia	$14	$3.50	Apr. 1	Mar. 18
Belding Corticelli, pfd.	7%	1¾%	Apr. 1	Mar. 16
Biltmore Hats, pref.	$7	$1.75	Mar. 15	Feb. 28
Can. Celanese, pref.	$7	$1.75	Mar. 15	Feb. 15
Can. Gen. Electric	$7	$1.75	Mar. 31	Mar. 18
Do., pref.	$4	$1	Apr. 1	Mar. 15
Can. Northern Power	80c	20c	Apr. 25	Mar. 31
Do., pref.	7%	1¾%	Apr. 15	Mar. 31
Canadian Oil, pref.	8%	2%	Apr. 1	Mar. 20
Canadian Car, pref.	$1.75	44c	Apr. 10	Mar. 27
Canada Malting	$1.50	37½c	Mar. 15	Feb. 28
Can. Perm. Mortgage	$10	$2.50	Apr. 1	Mar. 15
Consumers' Gas	10%	2½%	Apr. 1	Mar. 15
Dominion Textile	$4	$1	Apr. 1	Mar. 16
Do., pref.	$7	$1.75	Apr. 15	Mar. 16
Dominion Bank	$10	$2.50	Apr. 1	Mar. 31
Dominion Bridge	$2	50c	Apr. 1	Mar. 20
Dominion Stores	$1.20	30c	May 15	Apr. 29
Dome Mines	$1	25c	Apr. 1	Mar. 15
Do., extra	...	20c	Apr. 20	Mar. 31
Dominion Glass	$5	$1.25	Apr. 20	Mar. 31
Do., pref.	$7	$1.75	Apr. 1	Mar. 15
General Trust of Can., pfd.	$6	$1.50	Apr. 1	Mar. 25
Great Lakes Power, pfd.	$7	$1.75	Mar. 15	Feb. 28
Hollinger Gold	65c	5c	Mar. 25	Mar. 10
Hunts, "A" & "B"	50c	12½c	Apr. 1	Mar. 17
Hamilton Un. Theatres, pfd.	$7	$1.75	Mar. 31	Feb. 28
Imperial Tobacco, c.	35c	8¾c	Mar. 31	Mar. 1
Do., final	...	17½c	Mar. 31	Mar. 1
Do., pref.	6%	3%	Mar. 31	Mar. 1
Inter. Nickel, pref.	7%	1¾%	May 1	Apr. 1
Inter. Petroleum (No. 36)	$1	25c	Mar. 15	Feb. 28
Do., pref.	$1	25c	Mar. 15	Feb. 28
Inter. Proprietaries "A"	$2.60	65c	Mar. 15	Feb. 25
Do., extra	...	5c	Mar. 15	Feb. 25
Intern. Coal & Coke	...	2%	......	Feb. 28
Jamaica Pub. Service	$1	25c	Apr. 1	Mar. 17
Do., pref.	$7	$1.75	Apr. 1	Mar. 17
Lake Shore Mines	$2	50c	Mar. 15	Mar. 1
Landed Banking & L.	$6	$1.50	Apr. 1	Mar. 15
McColl-Frontenac, com.	60c	15c	Mar. 15	Feb. 15
Montreal Loan & Mortgage	12%	3%	Mar. 15	Feb. 28
Do., Bonus	....	1%	Mar. 15	Feb. 28
Montreal Cottons, pref.	7%	1¾%	Mar. 15	Feb. 28
Mitchell, J. S., pref.	$7	$1.75	Apr. 1	Mar. 17
Montreal C. & D. Bank	$12	$3	Apr. 1	Mar. 15
McColl-Frontenac, pfd.	6%	1½%	Apr. 15	Mar. 31
Nat. Breweries	$1.60	40c	Apr. 1	Mar. 15
Do., pref.	$1.75	44c	Apr. 1	Mar. 15
Nat. Sewer Pipe "A"	$2.40	60c	Mar. 15	Feb. 28
National Biscuit	$2.80	70c	Apr. 15	Mar. 17
Northern Ont. Power	$2	50c	Apr. 25	Mar. 31
Do., pref.	6%	1½%	Apr. 25	Mar. 31
New England Power, pfd.	$6	$1.50	Apr. 1	Mar. 10
Do., pref.	$2.50	50c	Apr. 1	Mar. 10
Do., com.	$2	50c	Apr. 1	Mar. 10
Ont. Loan & Deb.	$6	$1.50	Apr. 1	Mar. 15
Paton Mfg., pref.	$7	$1.75	Mar. 15	Feb. 28
Premier Gold Mines	12c	3c	Apr. 4	Mar. 15
Perfect Circle	$2	50c	Apr. 1	......
Pioneer Gold, B.C.	24c	6c	Apr. 1	Mar. 10
Page-Hersey Tubes, c.	$3	75c	Apr. 1	Mar. 20
Do., pref.	7%	1¾%	Apr. 1	Mar. 20
Penmans	$3	75c	May 15	May 5
Do., pref.	$6	$1.50	May 1	Apr. 21
Reliance Grain, pref.	6½%	1⅝%	Mar. 15	Feb. 28
Supertest Pete. "A" pfd.	7%	1¾%	Apr. 1	Mar. 15
Do., "B" pref.	6%	1½%	Apr. 1	Mar. 15
Do., com. & ord.	$1	25c	Apr. 1	Mar. 15
Siscoe Gold Mines	12c	3c	Mar. 31	Mar. 10
Southern Can. Power, pfd.	6%	1½%	Apr. 15	Mar. 20
Toronto Mortgage	$6	$1.50	Apr. 1	Mar. 15
Walker, Hiram, pref.	$1	25c	Mar. 15	Feb. 24
West. Can. Flour, pfd.	$3	75c	Mar. 15	Feb. 28
Wright-Hargreaves	20c	5c	Apr. 1	Mar. 15

Dividends Passed or Deferred:

Canada Wire & Cable, pref. Mar. 15, deferred. Last paid 1⅝% Dec. 15, 1932.

Montreal Cottons, c. Mar. 15, passed. Last paid $1.50 Dec. 15, 1932.

National Sewer Pipe, com. Mar. 15, passed. Last paid 15c. Dec. 15, 1932.

Standard Steel Construction, pref. Apr. 1, passed. Last paid 75c. Jan. 1, 1933.

Sherwin-Williams, pref. Mar. 31, deferred. Last paid $1.75 Dec. 31, 1932.

United Amusement "A" & "B" Mar. 15, passed. Last paid 40c. Dec. 15, 1932.

Dividend Rate Reduced:

Burt, F. N., com. Apr. 1, $2.40 to $2 per annum.

Dominion Textile, com. Apr. 1, $5 to $4 per annum.

Bell Telephone, Apr. 15, $7 to $6 per annum.

Can. Permanent Mortgage, Apr. 1, $12 to $10 per annum.

Hunts, "A" & "B" Apr. 1, $1 to 60c. per annum.

Landed Banking & Loan, Apr. 1, $8 to $6 per annum.

West. Canada Flour, pref., Mar. 15, $6.50 to $3 per annum.

Extra Dividends:

Imperial Tobacco, c. 17½c. final div., Mar. 31.

International Proprietaries, "A" 5c., Mar. 15.

Montreal Loan & Mortgage, 1%, Mar. 15.

Dividend Rate Increased:

Wright-Hargreaves, Apr. 1, from 2½c. to 5c. quarterly.

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)

March 7, 1933

Industrial Bonds:	Bid	Asked
Abitibi P. & P. 5% 1953	17.00	18.50
Acadia Sugar 6% 1946	85.00	89.00
Alta. Pac. Grain 6% 1946	76.00	79.90
American Sales Book 6% 1939	105.00	....
Arnold Bros. 6% 1947	25.60	35.00
B. A. Oil 5% 1945	88.00	91.00
Can. Biscuit 6½% 1946	....	26.00
Can. Bread 6% 1941	84.00	87.00
Can. Cement 5½% 1947	50.00	55.00
Can. Steamship 6% 1941	15.00	16.00
Can. Bakeries 6½% 1945	50.00	60.00
Can. Canners 6% 1950	74.50	78.00
Can. Copper Refin. 6% 1945	102.00	104.00
Can. Cottons 5% 1940	83.00	86.00
Can. Vickers 6% 1947	58.00	62.00
Cons. Invest. 4½% 1959	23.50	25.50
Cosmos Imp. Mills 6½% 1944	82.50	87.00
Davies, Wm. 6% 1942	86.00	90.00
Debenture & Sec. 4% 1936	53.00	56.00
Dom. Manufacturers 6% 1933	95.00	....
Dom. Tar & Chemical 6% 1949	55.00	57.00
Dom. Telegraph 5½% 1978 "A"	86.00	88.00
Dom. Textile 6% 1949	90.00	....
Dom. Woollens 6% 1948	13.00	16.00
Donnacona Paper 5½% 1948	14.00	17.00
Eaton Realty 5% 1949	78.00	89.00
Famous Players 6% 1948	....	58.00
Famous Players 6½% 1948	....	40.00
Federal Grain 6% 1949	77.00	....
Fraser Cos. 6% 1932	10.00	....
Fraser Cos. 6% 1950	10.00	....
Galt Brass 7½% 1941	....	30.00
Goodyear Cotton 6% 1949	101.00	....
Great Lakes Paper 6% 1950	17.00	19.00
Gypsum, Lime & Alab. 5½% 1948	27.00	29.00
Harris Abattoir 6% 1947	87.00	90.00
Howard Smith 5½% 1953	53.00	55.00
Loew's Toronto 6% Serial	100.00	....
London Realty 6½% 1950	34.00	39.00
Maple Leaf Milling 5½% 1949	34.00	40.00
Massey-Harris 5% 1947	....	....
McColl-Frontenac 6% 1949	85.00	87.00
McKinnon Industries 6½% 1945	98.50	....
Mercury Mills 5½% 1953	....	40.00
Metropolitan Bldg. 7% 1944	88.00	....
Nor. Ont. Bldg. 6½% 1939	61.00	65.00
Price Bros. 6% 1943	26.00	30.00
Richmond Bay 6½% 1947	63.00	67.00
Rolland Paper 5½% 1948	74.00	....
Simpson's Ltd. 5½% 1949	....	40.00
Simpson's Ltd. 6% 1949	38.00	42.00
Steel of Canada 6% 1940	103.00	106.00
Toronto Carpet 6% 1944	75.00	80.00
United Gas & Fuel 5½% 1948	50.00	55.00
United Grain Growers 5% 1948	76.00	79.00
United Grain Growers 5½% 1949	78.00	80.00
Western Grain 6% 1949	60.00	65.00
Public Utility Bonds:		
Bell Telephone 5% 1955	98.00	103.00
Bell Telephone 5% 1957	98.00	103.00
B. C. Power 5½% 1960	80.00	83.00
B. C. Telephone 5% 1960	83.00	88.00
Calgary Power 5% 1960	75.00	79.00
Can. Northern Pwr. 5% 1953	74.00	78.00
Duke Price Pwr. 6% 1966	55.00	60.00
Elect. Develop. 5% 1933	117.00	120.00
French Natl. Mail SS 6% 1952	122.00	125.00
Gatineau Pwr. 6% 1941 "A"	47.00	50.00
Gatineau Pwr. 5% 1956	73.00	75.00
Maclaren Quebec 5½% 1961	70.00	73.00
Manitoba Power 5½% 1951	42.00	48.00
Montreal Isl. Pwr. 5½% 1957	96.00	100.00
Montreal LH&P 5% 1951	101.00	104.00
Montreal LH&P 5% 1970	100.50	104.00
Montreal Tram. 5% 1941 July	97.00	99.00
Montreal Tram. 5% 1955	69.00	72.00
Northwest. Utilities 7% 1938	90.00	95.00
Ottawa Valley Pwr. 5½% 1970	96.00	99.00
Quebec Power 5% 1968	88.00	92.00
Rio Tramways 5% 1935	93.00	....
Shawinigan W&P 4½% 1970	58.00	62.00
Shawinigan W&P 5% 1970	68.00	71.00
Shawinigan W&P 6% 1937	84.00	87.00
Southern Can. Pwr. 5% 1955	96.00	98.00
West Kootenay Pwr. 5% 1956	91.00	93.00
Government, Provincial & Railway Bonds:		
C.N.R. 4½% 1951 Dom. Gtd.	96.50	98.00
C.N.R. 4½% 1957 Dom. Gtd.	96.50	98.00
C.N.R. 5% 1969 Dom. Gtd.	101.00	102.00
C.P.R. 4½% 1944	60.00	62.00
C.P.R. 5% 1954	73.00	76.00
Dom. of Can. 5% 1936	100.00	102.00
Dom. of Can. 5% 1941	100.50	102.00
G.T.P. 3% 1962 Dom. Gtd.	....	77.50
G.T.P. 4% 1962 Dom. Gtd.	....	93.00
Ont. Hydro 3½%, 4%, 5%, 1952 Ont. Gtd.	88.00	88.75
Ont. Hydro 4½% 1970 Ont. Gtd.	97.00	98.60
Ont. Hydro 4% 1957 Ont. Gtd.	90.00	91.00
Prov. of N. B. 5¼% 1950	104.00	105.00
Prov. of Ont. 4½% 1944	99.00	100.00
Prov. of Ont. 5% 1948	100.00	102.00
Prov. of Ont. 5½% 1947	100.00	101.00

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto
March 7, 1933

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	.35	.65
Acadia Sugar 6% Pfd.	2.60	3.30
Acme Farmers Dairy 7% Pfd.	59.00	65.00
Acme Glove pfd. bonus com.	7.00	9.50
Agnew Surpass 7% pfd.	59.50	65.00
Allens Beach 7% pfd. bonus. com.	31.50	....
Allens College 7% pfd. bonus com.	31.50	....
Allens London 7% pfd. bonus com.	31.50	....
Allens St. Cath. 7% pfd. bonus com.	31.50	....
Allens St. Clair 7% pfd. bonus com.	31.50	....
Allens Toronto 7% pfd. bonus com.	16.50	....
Andian National Corp.	19.00	22.50
Atlantic Sugar "A" pfd.	70.00	80.00
B. C. Pulp & Paper pfd.	....	13.00
Burns pfd. bonus com.	2.25	3.50
Canada & Dom. Sugar	21.75	22.50
Canada Machinery com.	2.50	5.00
Canada Mach. pfd.	14.25	....
Canada Pack. com.	....	11.50
Canada Packers 7% pfd.	73.50	....
Canada Starch 7% pfd.	60.50	68.00
Canada Tea 7% pfd.	48.00	54.00
Canada Wire & Cab. 6½% pfd. WW	....	59.00
Can. Industries com. "A"	70.50	....
Can. Industries Com. "B"	67.50	71.00
Can. Industries 7% pfd.	114.00	117.00
Can. Westingh.	34.50	38.00
Claude Neon Gen. Adv. Units	....	15.75
Claude Neon Gen. Adv. com.	....	.55
Dom. Found. & Steel 8% pfd.	....	65.50
Dom. Found. & Steel com.	1.75	5.75
Dom. Manufact 7% pfd.	60.00	69.50
Dunlop Tire 7% pfd.	36.00	42.00
Eastern Dairies Ltd. 7% pfd.	....	50.50
Edmonton Stockyards Units	38.50	52.00
Federal Grain 6½% pfd.	20.25	25.00
Gen. Steel Wares pfd.	5.00	6.75
Goderich Elevator & Transit	4.75	6.75
Greening Wire 7% pfd.	....	60.50
Guardian Realty 7% pfd.	....	23.50
Guelph Carpet 6½% pfd. bonus	64.00	72.00
Guelph Carpet com.	4.25	....
Inter. Propriet. A	17.50	21.50
Langleys Ltd. 7% pfd.	....	35.50
Loew's Lond. com.	.35	.85
Loew's London 7% pfd.	3.00	4.25
Loew's Toronto 7% pfd.	....	60.00
Massey-Harris 5% pfd.	11.00	13.00
Mount Royal Hotel com.	.25	....
Mount Royal Hotel 6% pfd.	3.25	4.50
Nat. Grocers com.	.50	1.00
National Grocers 7% 2nd pfd.	39.00	43.00
Neilson, Wm., com.	4.25	....
Paramount Kitchener pfd.	27.50	....
Paramount Oshawa com.	4.25	....
Paramount. Oshawa pfd.	29.00	....
Provincial Paper 7% pfd.	30.00	35.00
Reliance Grain 6½% pfd.	42.75	....
Rolland Paper 6% pfd. W.W.	26.00	28.50
Standard Clay Products com.	....	13.50

Ind. Stock cont'd.	Bid	Asked
Standard Fuel 6½% pfd. bonus	53.50	5
Supersilk pfd. bonus	24.25	.
Supertest Petroleum "B"	18.25	20
Toronto Elevators 7% pfd.	70.00	75.
Western Grain 6½% pfd. bonus	....	16.
Willards Choc. pfd.	....	18.
Insurance Stocks:		
British America Assce.	30.50	40.00
Can. Life Assce.	400.00	450.00
Can. Fire Ins.	50.00	60.00
Confed. Life 20% pd.	122.00	132.00
Continental Life 20% pd.	38.50	50.00
Crown Life Ins.	85%	110%
Dom. Fire Ins.	80.00	....
Dom. Life 50% pd.	....	255.00
Dom. of Can. Gen. Ins.	98.50	112.00
Empire Life 25% pd.	8.75	12.00
Excelsior Life 30% pd.	80.50	90.00
Great West Life Assce.	235.00	254.00
Guarantee Co. of N. A.	239.00	....
Halifax Fire Ins.	8.75	10.50
Imperial Life	240.00	260.00
Manuf. Life Ins.	225.00	250.00
Monarch Life 10% pd.	17.00	20.00
National Life 25% pd.	60.00	70.00
Saskatchewan Life 10% pd.	7.75	12.75
Sovereign Life 25% pd.	14.50	....
Sun Life Assur.	285.00	320.00
West. Assur. com.	14.50	....
Western Life 20% pd.	7.00	12.00
Trust & Loan Stocks:		
British Mort. & Trust	155.50	165.00
Can. Gen. Invest. Ltd.	2.80	3.10
Chartered Trust	....	69.00
Debenture & Sc. 5% pfd.	5.00	....
Eastern Can. Sav. & Loan	103.00	109.00
Eastern Trust	140.50	150.00
Guelph & Ont. Inv. par $50	47.50	54.00
Investment Foundation Units	18.00	....
Lambton Loan & Savings	55.00	60.00
London & West. Trust	....	78.00
Mortgage Discount pfd.	2.35	3.00
Premier Trust	66.00	75.50
Provincial Bank	90.00	97.50
Security Loan & Savings	98.50	104.00
Sherbrooke Trust	100.00	112.00
Sterling Trust	50.00	56.50
Traders Finance com.	....	60
Traders Finance 7% "A" pfd.	17.50	22.00
Trusts & Guar.	....	42.00
Victoria Trust & Savings	130.50	140.00
Waterloo Trust & Savings	105.00	115.00
Power Issues:		
B. C. Elect. Pwr. Gas. pfd.	88.50	91.00
Calgary Power 6% pfd.	58.00	61.00
Can. Light & Power com.	15.00	20.00
Can. West. Nat. Gas LH&P com.	19.50	....
Can. West. Nat. Gas LH&P pfd.	60.00	63.50
Great Lakes Power 7% pfd.	....	65.00
Maritime Tel. & Tel. com.	7.25	9.25
Maritime Tel. & Tel. 7% pfd.	9.50	11.25
N. B. Telephone com.	6.25	7.50
Nova Scotia L&P 6% pfd.	70.00	80.00

Listed Bond Quotations

Week Ending March 6

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1933 High	Low
Abitibi, 1st mtg.§	5	1953	...	17	...	...	*46	19½
Asbestos	5	1942	...	21	...	...	*65½	40
Asbestos, 1st mtge.	6	1941	...	5½	...	...	*20	14
Do., gen. mtge.	6	1956	...	...	...	...	*9	...
Can. Cons. Rub.	6	1946	11.78	...	62	...	62	...
Can. Cottons	5	1940	...	...	...	...	*91	90
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. Locomotive	6	1951	...	...	...	...	19½	19½
Can. Pr. (Laur.)	5½	1958	...	‡6	...	...	*7	5
Do. (Way Ser.)	5½	1958	...	...	...	...	*28½	5½
Can. S.S. Debs.	5	1943	...	...	...	...	*83½	...
Cedars Rapids	5	1953	...	...	...	...	108	108
Dom. Canners	5	1940	...	...	...	...	‡103	...
Dominion Coal	5	1940	...	...	...	...	37	...
McNish	6	1948	...	1.05	...	...	1.50	1.00
Mex. L. & Pr.	5	1940	...	55	...	...	*73½	70½
Mtl. L.H.&Pr. debs.	3	1939	...	44½	42	41½	43	39¾
Mont. Tr. 1st mtg.§	5	1941	5.38	...	...	...	98½	97
Mont. Trams. "A"§	5	1955	7.47	...	...	...	77½	72½
Do., G. & Ref. "B"§	5	1955	7.47	...	...	...	73½	...
Do., "C"	4½	1955	...	...	...	...	*77½	77
Do., "D"	5	1955	7.14	...	...	...	77½	76½
N.S. Steel	5	1959	...	...	...	...	*62½	59
Ontario Steel	6	1943	...	80	...	...	*100½	...
Porto R. Pr.	5	1936	...	...	...	...	*93	88
Steel of Canada§	6	1940	...	102	...	...	*102½	100
Wayagamack	6	1951	...	...	...	...	*75	45
Winnipeg Elec.§	5	1935	...	76½	...	...	*86	...
Toronto								
Canada Bread	6	1941	...	...	...	...	*101½	100
Steel of Canada§	6	1940	...	...	...	...	*102½	...
Dominion Govt. Bonds (Montreal)								
War Loans§	5	1937	2.62	108.00	...	....	116.25	115.80
Victory Loan	5½	1933	4.70	100.00	100.50	....	100.75	100.50
Do.	5½	1934	4.21	100.75	101.35	....	102.60	101.35
Do.	5½	1937	3.54	108.00	...	....	110.25	110.00
Do., refund	4½	1940	4.50	99.25	...	....	101.25	100.75
Do., refund	5	1943	4.70	101.00	102.38	....	103.37	102.38
Do., refund	4½	1944	4.53	98.75	...	....	99.75	...
Do., refund	4½	1946	4.58	98.75	...	....	*96.25	91.50
Do., renewal	4	1952	4.51	91.00	...	....	93.25	91.63
Conversion Loan	4½	1956	4.60	97.00	...	....	98.50	97.00
Do.	4½	1957	4.78	95.25	96.00	....	98.25	96.00
Do	4½	1958	4.64	96.00	97.80	....	99.37	97.80
Do.	4½	1959	4.66	96.00	97.50	....	100.15	97.50
Nat. Service Loan	5	1936	4.28	101.25	102.12	....	103.25	101.50
Do.	5	1941	4.61	100.75	...	....	103.75	102.75

†Latest ask. ‡Quotations for 1930. *For 1931. *For 1932. None recorded in 1933 to date. §Payable in Canada and New York.

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co., Canada Permanent Building, Toronto, Ont.

March 7, 1933

	Rate	Actual Maturity	Next Int. Date	Price	Yield
*Alberta	4½	1 Oct., 1958	1 Apr.	81.00	5.96
Alberta	5	1 July, 1943	1 July	89.00	6.46
Alberta	6	1 Mar., 1947	1 Sept.	97.00	6.33
*British Columbia	4½	1 Oct., 1953	1 Apr.	81.00	5.83
*British Columbia	5	15 Jan., 1948	15 July	93.00	5.70
British Columbia	6	15 Feb., 1947	15 Aug.	97.50	6.27
Manitoba	4	1 July, 1947	1 July	80.00	6.10
*Manitoba	5	2 Dec., 1959	2 June	89.00	5.81
Manitoba	6	1 Apr., 1947	1 Apr.	97.50	6.26
*New Brunswick	4	1 June, 1948	1 June	89.30	5.00
*New Brunswick	4½	15 June, 1936	15 June	99.85	5.00
New Brunswick	5½	1 May, 1950	1 May	102.25	5.30
*Nova Scotia	4½	15 Nov., 1948	15 May	96.15	4.85
Nova Scotia	5	1 May, 1943	1 May	101.50	4.81
*Ontario	4½	1 Sept., 1944	1 Sept.	100.50	4.44
Ontario	5	15 Oct., 1948	15 Apr.	102.00	4.82
Ontario	5½	1 Feb., 1947	1 Aug.	105.75	4.93
P. E. I.	4	1 Apr., 1939	1 Apr.	94.85	5.00
P. E. I.	6	1 May, 1947	1 May	109.15	5.10
*Quebec	4½	1 May, 1961	1 May	100.00	4.25
*Saskatchewan	4½	1 Sept., 1955	1 Sept.	79.00	6.25
Saskatchewan	5	1 Oct., 1950	1 Apr.	85.00	6.41
Saskatchewan	6	15 Mar., 1952	15 Mar.	90.50	6.90
*Newfoundland	5	31 Dec., 1952	30 June	64.00	8.88
*Newfoundland	5½	1 July, 1939	1 July	68.00	12.91
*Newfoundland	6½	30 June, 1936	30 June	72.00	14.90
Cities					
*Montreal	5	1 Sept., 1963	1 Sept.	102.35	4.85
*Toronto	4½	1 Jan., 1955	1 July	95.30	4.85
*Vancouver	5	15 Jan., 1970	15 July	85.20	6.00
Winnipeg	5	1 Mar., 1944	1 Sept.	90.15	6.25
*Edmonton	5½	1 Apr., 1947	1 Apr.	82.50	7.50
Calgary	5	1 Jan., 1948	1 July	79.60	8.00
Halifax	6	1 July, 1951	1 July	110.70	5.10
St. John	5	15 Dec., 1950	15 June	97.70	5.20
Regina	4½	1 July, 1950	1 July	71.00	7.50
Victoria	5	21 July, 1945	21 July	87.30	6.50
Quebec	5	1 June, 1948	1 June	101.50	4.86

* Payable in New York.

Winnipeg Stock Exchange

(Transactions for week to Mar. 4)

Div. Rate in $	Yield in %		Sales	High for week	Low for week	Close Mar. 4
..	..	Arno	1,000	.03	.03	.03
2	20	Blue Ribbon, pref.	25	10	10	10
80c	10	B. A. Oil	150	8	8	8
..	..	Central Manitoba	2,050	.11	.09½	.09½
1+30c	8.8	Dome	25	14.75	14.75	14.75
..	..	Eldorado	200	1.35	1.33	1.35
50c	6.1	Imperial Oil	35	8¼	8	8¼
..	..	Kirkland Lake	300	.34	.34	.34
..	..	Macassa	300	.26	.26	.26
..	..	North Star Oil, c.	25	1.50	1.50	1.50
..	..	San Antonio	150	.80	.80	.80
7	12.7	West. Grocers, pref.	10	55	55	55

CAN. GENERAL INVESTMENTS REDUCES LOANS

Shares Earned 44 Cents Compared With 56 Cents in 1931

VALUES LOWER

Securities Written Down to Market Values; Portfolio is Improved; Build For Future

While earnings of Canadian General Investments Ltd., were lower in 1932 and losses on investments were taken again the reduction of loans payable and the writing down of investments to a most conservative figure improves the appearance of the balance sheet and provides a sound basis on which to build when the trend of security prices turns upwards. Net profit equalled over 44 cents per share on the 612,444 shares of $10 par value stock outstanding as against 56 cents per share in 1931. Dividends paid during 1932 of 45 cents per share, barely exceeded income and surplus was reduced but slightly.

Total income dropped over 22 per cent but interest on loans and management fees were down sharply so that net income showed reduction of only 18.6 per cent. Income and surplus account for 1932 compares with that for 1931 as follows:

PROFIT AND LOSS AND SURPLUS ACCOUNT
Years Ended Dec. 31

	1932 $	1931 $
Total income	356,432	457,712
Less Int. on loans	41,888	66,178
U. S. exchange	......	2,041
Management fee	25,969	38,022
Miscellaneous	3,208	3,017
Inc. tax reserve	14,272	15,520
Net income	271,095	332,934
Less appropriations:		
Dividends	271,639	364,168
Surplus for year	†.544	†31,284
Add: Prev. surplus	48,723	82,852
Less: Addit. inc. tax 1930	......	2,895
Bal. carried forward ...	48,180	48,723

†Deficit.

The book value of investments has been written down by $604,193 while the net loss realized on securities sold and on settlement of loans was $322,856, a total of $927,049. This was taken from capital surplus and reducing that account to $109,167.

After these write-offs, the book value of investments is shown at $6,848,865 in the balance sheet and these investments have an indicated value of $4,248,191 on the basis of market quotations on quoted securities and of prices considered fair by the management in the case of other investments. Quoted securities are shown at $3,761,269 and securities with no market are shown at $486,922. Accrued interest amounts to $56,212. In 1931, securities were carried at $7,354,081 but comparison of market values is not possible.

Change Portfolio

Following the death of the late president, W. W. Evans, on July 30, supervision of the trust's investment portfolio was placed in the hands of a special committee of directors. H. R. Jackman, who has been engaged in the management of several Canadian investment trusts and who is a specialist in this field, has been in active charge of the investment portfolio. Investment policy has been changed to some extent and a number of investments have been eliminated while more bonds have been purchased.

The portfolio of the trust is not given in the annual statement but includes substantial holdings of sound securities. On the basis of market value at December 31, 1932, 3.3 per cent of assets is in cash and loans; 23.8 per cent in bonds and debentures; 18.2 per cent in preferred stocks; 26.8 per cent in bank and trust company shares and 27.9 per cent in common shares. Canadian securities comprise 87.1 per cent of the total and United States securities 8.4 per cent. Classified according to type of enterprise, Canadian banks and trust companies lead with 26.8 per cent while 11.7 per cent in invested in manufacturing companies; 11.8 per cent in public utilities; 8.6 per cent in food and dairy products.

Loans are Repaid

Loans to associated companies, only partially secured, amounted to $576,098 at the end of 1931 and this item has been eliminated from the balance sheet with the exception of $28,412 which is fully secured. The loans to certain associated companies are stated to have been repaid in full while a settlement was made with the Fourth Canadian General Investment Trust Ltd. This loan, which totalled $491,423 at the end of 1931, was largely unsecured. Cash is down to $59,447 from $122,888.

Loans at December 31,1932, are shown at $828,477, a reduction from the $1,015,945 shown in 1931. Policy of the management is to make further reductions in these loans and since the end of the year more than $160,000 has been paid off. Accounts and dividends payable and provision for taxes and accrued charges in down to $99,551 from $129,747.

There are 612,444 shares of $10 par value outstanding on which $216,879 remains unpaid. Shareholders will be asked to reduce the par value of the common stock to $5 in order that the capital surplus of $109,166 can be increased by over $3,000,000.

HUNT'S DIVIDEND CUT

Dividends on both class "A" and class "B" shares of Hunt's Ltd. have been reduced to an annual rate of 50 cents a share with the declaration of a quarterly payment of 12½ cents due April 1, 1933, to shareholders of record March 17. In 1931, the company paid at the rate of $1.40 per share which was reduced to an annual rate of $1 per share in 1932.

SURTAX ON INCOMES REJECTED

Toronto's proposal to levy a special surtax on incomes of $10,000 and over met unanimous opposition in the Ontario legislature when the bill was brought up for second reading on March 6. The proposal was attacked as an unfair piece of class legislation which would duplicate federal income taxes already in force on larger incomes. The bill was withdrawn.

Wrecking Buildings Solves Car Problems

Downtown automobile parking problem in Milwaukee is reported to be solved. This has come about with the wrecking of many untenanted buildings, some of them old landmarks. In doing this, real estate men save taxes and obtain some revenue by renting the ground as parking stations.

Similar developments have been seen in Canada. In Toronto, for instance, there was considerable ado about the proposed wrecking of a historic residence some time ago. Vacant buildings have been razed in some instances and the ground used for parking space. Assessments have been forced down on some such properties, and also on vacant buildings.

B. C. GOVERNMENT REFUSES GRANT

Municipalities Must Not Depend on Provincial Aid Says Jones

From Our Own Correspondent

VANCOUVER.—Ignoring the warning that several more municipalities would probably be forced into receivership as a result of the provincial government's attitude, there is no official tendency in British Columbia toward modifying the stand for curtailment of municipal grants and other indirect means of government financial assistance to the cities. The municipalities have sent their representatives to the government, to fight the proposal to cut municipal grants, and they have urged the government to take over financial responsibility for all social services.

The government, however, has no intention of yielding to these requests, according to Hon. J. W. Jones, Minister of Finance. Mr. Jones states that the government has made up its mind; that it has its own financial difficulties and that the only solution of the municipalities' difficulty is for them to reduce expenses.

The government has flatly rejected the municipalities' plan by which it would loan them money to finance during the period when they were waiting for tax collections and when they have to carry bank loans at heavy interest. Nor will the government yield control of school finances to the municipal councils.

G. A. Henley Joins C. M. Oliver & Co.

George A. Henley, formerly Alberta manager for Royal Financial Corp. and well known to Western bond dealers, has jointed the bond department of C. M. Oliver & Co., Vancouver.

B. C. PAPER CO'S MAY FEEL EFFECT OF MERGER IN EAST

Includes Three Large Japanese Producers; Stops Competition

From Our Own Correspondent

VANCOUVER.—Pulp and paper manufacturers on the Pacific Coast have nothing to fear from the economic consequences of Japan's Manchurian offensive, but they are likely to feel the pinch of increased competition as a result of the recently negotiated merger of the three largest pulp and paper corporations in Japan, according to Oscar Jorgenson, secretary of B. C. Pulp & Paper Co., who has returned from an extended tour of the Far East.

Mr. Jorgenson's visit was more in the nature of a goodwill tour than a selling trip, and he found to his satisfaction that the friendliest relations still exist between manufacturers on this coast and representatives of the industry in Japan and China. But he did find, too, that market conditions are still unsettled and that they are likely to remain so for some little time.

War Has No Effect

So far as the Manchurian drive is concerned, Mr. Jorgenson does not believe that there will be any direct effect from it on the pulp and paper situation on this coast, as it would not be feasible to import pulpwood from Manchuria to Japan.

"There is a fairly large pulp mill on the Yellow River, and it looks after the requirements of the domestic market," said Mr. Jorgenson. "But so far as I am aware Manchurian forests do not contain stands of pulpwood sufficiently easy of access to be of much importance to Japan or any other country at the present time. It would be an exceedingly difficult proposition to ship pulpwood from the Asiatic mainland to Japan. To meet her immediate needs. Japan has enough pulpwood on Saghalien and the Japanese Islands."

Mr. Jorgenson stated that the legal set-up of the big Japanese merger is now virtually completed and that the physical reorganization will probably be functioning during the summer. The three companies involved are the Oji, the Karafuto and the Fuji, the latter having been allied financially with Oji for some time. The new company will control about 70 per cent of Japan's output of pulp and paper.

GREY & BRUCE ADDS TO RESERVES

Trust Business Gains; Liquid Position is Maintained

Grey & Bruce Trust & Savings Co., Owen Sound, Ont., had an increase in net earnings during 1932 to $49,244 from $46,585 in 1931 but after deduction of reserves for depreciation, government taxes and particularly a reserve of $15,000 for past due interest the net profit available for dividends was reduced to $25,832 from $38,585. Dividends of four per cent were paid during the year as against six per cent previously. Contingent fund was increased by 4,045.

Liabilities in guaranteed trust account dropped slightly to $1,112,386 while business increased in the estate department and assets of estates and trusts in hand increased to $506,341 from $331,270. Guaranteed investment receipts outstanding increased to $494,918 from $457,822 while deposits dropped to $602,064 from $660,625. There was an increase in the number of depositors.

Assets in guaranteed trust account include $774,875 in mortgages and interest; $261,939 in Dominion and provincial bonds and $64,902 in municipal bonds. In capital account, mortgages total $374,753; Dominion bonds, and provincial bonds, $67,912 and other bonds, $143,036. Cash exceeds $6,800. Assets in capital account total $729,085.

Mortgages held by the company are chiefly in the counties of Grey, Bruce, Dufferin and Simcoe. Of the total of $1,088,080, $623,829 is in 344 mortgages on city property and $464,251 is in 241 mortgages on farm property. On 93 city loans and 122 farm loans there is some interest in arrears.

Paid up capital remains at $544,700, reserve fund at $75,000 and contingent fund is up to $16,905. In addition to reserves for depreciation, taxes and overdue interest on mortgages the company has bills payable of $60,000.

Earnings Record

Year	Paid-up Capital $	Net Profits* $	Div. Rate $	Rate Earned Per Sh. $
1928	544,700	39,649	3	7.28
1929	544,700	35,996	3	6.61
1930	544,700	40,850	3	7.50
1931	544,700	38,585	3	7.09
1932	544,700	25,832	2	4.75

*After deducting reserve for depreciation, taxes and reserve for overdue interest on mortgages.

Landed Banking & Loan Reduces Dividend Rate

Directors of Landed Banking & Loan Co., Hamilton, reduced the annual dividend rate on the company's stock from eight per cent to six per cent with the declaration of a quarterly dividend of $1.50 payable April 1 to shareholders of record March 15.

The company has paid annual dividends of eight per cent on its $100 par value common stock since the payment made April 1, 1931, and for the three years prior to that date change, paid dividends at the rate of 10 per cent.

New DeSoto Style Seen in United States

Photographs of a "pillarless" DeSoto appearing in American magazines have interested Canadians during the past few weeks. This model introduces to the American public a body trend long popular in custom-built cars in Europe. Doors, instead of locking on a centre standard, lock top and bottom on the framework.

There is no word at present of this body style being introduced in Canada, The Financial Post learns. Dealers state that Canadian sales would not warrant production of these cars here.

EASTERN TRUST EARNS PAYMENT CAPITAL STOCK

Generous Flow of New Business During Past Year

From Our Own Correspondent

MONTREAL—Net earnings of Eastern Trust Co. in 1932 totalled $140,907 compared with $150,310 in the previous year. Payments were maintained on the capital stock at the rate of 8 per cent and after all deductions there remained a surplus for the year of $634. Balance at profit and loss was increased to $22,209.

Balance sheet shows capital account at $1,266,415, a slight reduction from the previous year and guaranteed accounts up $272,000 at $3,124,338. Estates and agencies were up nearly $700,000 and total assets under administration showed an inrease of $960,384 at $49,278,792.

Profit and Loss

Following is a comparison of profit and loss for the past two years:

	1932 $	1931 $
Net earnings	140,907	150,310
Less:		
Dividends	80,000	80,000
Due province	200	200
Tax reserve	15,000	18,000
Fees	10,900	10,600
Assets w/o	33,380	36,474
Furn. w/o	893	642
Surplus	634	4,394
Add prev. surplus	21,675	17,281
Balance forward	22,209	21,675

In his remarks to shareholders, Hon. F. B. McCurdy, president of the company, said in part:

"In making up the annual statement advantage was not taken of the permission of the Federal Department of Insurance to value the company securities in the balance sheet at fixed prices, but instead all investments have been reckoned at not higher than market prices as at 31st December. Payments of mortgage interest have been well met; in fact, the position of the company's mortgage investments has not been in better condition in the past decade than at the end of the year. There is only a relatively small increase in 'Real Estate Held for Sale' and this asset is entered at a valuation which is easily realizable."

At the annual meeting, retirement of Dougall Macgillivray, general manager, was announced and F. H. M. Jones, assistant general manager was appointed to succeed him. All directors of the company were re-elected.

SHERBROOKE TRUST MAINTAINS PROFIT

Earned 8.81 p.c. on Capital; Business Increased Slightly

Sherbrooke Trust Co. had net earnings of $35,269 in the year ended September 30, practically the same as in 1931 and after deduction for taxes and depreciation net profit available for dividends was $26,464 or 8.81 per cent on paid up capital of $300,000. This compares with 9.18 per cent in 1931. Dividends were continued at the rate of 6 per cent and $5,973 was added to constingent reserve leaving a surplus of $32,116.

Liabilities to the public are up to $1,297,589 from $1,278,808 due to increase in debentures to $328,456 while deposits remained practically unchanged at $961,919. Trust accounts increased to $2,440,882 from $2,315,217.

Liquid assets are up to $367,917 from $350,278 and mortgages to $1,276,998 from $1,265,545. Included in liquid assets is cash at $50,259; call loans at $53,017; Dominion and provincial bonds at cost of $187,264 and municipal bonds at $73,061. Holdings of bonds are shown and the auditor's certificate states that depreciation of values below cost is only about ½ of 1 per cent which is less than 15 per cent of the contingent reserve set up.

Paid up capital remains at $300,000 and capital reserve at $150,000. Contingent reserve is up to $10,000 from $4,219.

Earnings Record

Year	Paid-up Capital $	Net Profits* $	Div. Rate $	Rate Earned Per Sh. $
1928	300,000	34,149	6	12.06
1929	300,000	36,640	6	12.21
1930	300,000	34,763	6	11.58
1931	300,000	†27,565	6	9.18
1932	300,000	†26,464	6	8.81

*Less income tax.
†After depreciation on premises and furniture, etc. $5,028 in 1932; $4,985 in 1931.

Credit Foncier F. C. Has New Ontario Manager

John M. Vale has been appointed manager of the Toronto office of Credit Foncier Franco Canadien and will have charge of operations of this company in Ontario. The company has been operating in Ontario since 1888 and is one of the largest of Canadian mortgage companies.

The company was incorporated in Quebec in 1880 and has its head office in Montreal while branch offices are operated across Canada.

New Oil Well Added

A new oil well is added to the list of producers in Turner Valley. The Freehold-Marjon well, in the southern part of the Valley, blew in with a strong flow of gas at a depth of only 37 feet. Previously this location was believed to be the extreme productive limit of the valley.

CANADA WIRE CO. 1932 OPERATIONS RESULT IN LOSS

Profitless Export Trade and Lower Values Cause Deficit

From Our Own Correspondent

MONTREAL.—Though domestic sales tonnage of Canada Wire and Cable Co. declined only 19 per cent last year, dollar value of sales was off 51 per cent, according to the annual statement, which shows a net operating profit of $291,172 in 1931 converted into an operating deficit of $283,666 in 1932.

In addition to domestic business, the company also handled a substantial volume of export business in copper rods. This business was secured in a highly competitive market, the report says, and showed no profit but served the purpose of absorbing overhead charges.

Surplus Down to $72,946

The income account for 1932 showed a total deficit of $524,643 after taking into consideration dividends on the A stock and preferred stocks, both of which have been passed. The surplus of $597,589 at the end of 1931 has been cut down to $72,946.

Details of the income account and working capital follow:

	1932 $	1931 $	1930 $
Net op. prof.	*283,666	291,172	706,726
Other inc. ..	17,427	42,977	32,018
Total inc. .	**266,239	334,149	738,744
Inc. tax	10,394	52,000	53,000
Net prof. ...	**276,633	282,149	685,744
Pfd. divs. ..	188,672	190,446	194,993
Balance ...	**465,305	91,703	490,751
Com. A. divs.	59,338	118,676	180,000
Balance	**524,643	**26,973	310,751
Com. B. divs	......	224,914	40,248
Balance	**524,643	**251,887	270,503
Div. from sub.	......	......	5,192
Surplus	**524,643	**251,887	275,695
Prev. surp. .	597,589	919,638	643,943
Balance	72,946	668,751	919,638
†Prel. op. chge.	......	70,161	......
P. & L. Bal.	72,946	597,590	919,638

*—Loss.
**—Debit.
†—Montreal East.

Working Capital Position

	1932 $	1931 $
Curr. assets	2,868,076	3,439,572
Curr. liabs.	733,011	683,014
Work. cap.	2,135,065	2,756,558

The heavy operating losses and payment of dividends are reflected in the balance sheet which at the end of 1932 revealed assets of $2,135,065 as against $2,756,558 at the close of 1931.

Outstanding capital stock remains unchanged. Accounts payable have increased by about $50.000 to $733,011.

Depreciation of Securities

Among assets cash on hand has advanced. Marketable securities, included in current assets, total $987,860 as against $1,010,697 a year ago. In 1932 these securities are taken at "not more than costs," the market value being $359,050, while 1931 securities had a market value of $762,598 on the basis of bond values at December 31, 1930; stocks at June 30, 1931, and later purchases at cost.

Inventories have been materially reduced, now standing at $1,357,287, a drop of roughly $600,000. Small additions have been made to capital account which amounts to $4,480,268.

Prospects Not Promising

In his comments to the shareholders H. Horsfall, president, had the following to say of prospects for the current year:

"Prospects for the coming year are not at all promising at present, due to drastic curtailment of expenditures by the railways, public utilities, electric apparatus manufacturers, radio manufacturers, building trades, and the fact that no new power developments are being undertaken, so that the only business we can look forward to is extensions to present systems, and the regular demand of the electrical trade. However, should there be a change in the general economic situation, due to inter-governmental action whereby confidence is re-established and commodity prices advance, your company would benefit greatly both as regards inventory values and sales."

Victoria Firm Changes Name

Henry B. Thomson, H. B. Bate and S. M. Oliver, stock and bond brokers, Victoria, B.C., who have been trading as Melville and Bate Ltd., have changed the name of the firm to Bate & Co. Limited, and will occupy the same offices at 640 Fort St.

CAN. FOUNDRIES LOSS IS HIGHER, VOLUME LOWER

Working Capital is Still Large But Cash is Small

Operating loss of Canada Foundries & Forgings Ltd., was $54,119 in 1932 as compared with $34,390 in 1931 and after provisions for administration expense, and interest charges the loss was $83,578. Volume of business handled showed a large shrinkage which is attributed entirely to general business conditions. Working capital showed some reduction at $583,053.

Controllable expenses were reduced during 1932 and the loss in the final quarter was only about 25 per cent of that of the first quarter. The income and surplus accounts for the past two years are as follows:

Income and Surplus Account
Years Ended Dec. 31

	1932 $	1931 $
Net loss from oper.* ..	54,119	34,390
Add: Admin. exp. ...	19,236	23,781
Int. on loans	419	576
Int. on bonds	9,804	11,081
Net oper. loss	83,578	69,828
Less appropriations:		
Dividends paid	......	28,800
Deficit for year	83,578	98,628
Add: Prev. surplus...	342,107	496,572
Less: Inc. tax prev. yr.	......	4,202
Corp. tax	1,090	1,635
Trans. to res. cont.	......	50,000
Bal. carried forward..	257,439	342,107

*After providing for repairs, bad and doubtful debts, and depreciation yearly.

Cash has been reduced to $3,068 from $33,250; accounts receivable are down to $113,598 from $154,421 and inventories are moderately reduced at $518,526. While accounts and bills payable are down to $33,402 from $43,005 the company has a bank loan of $13,837, not shown in 1931. Working capital position is as follows:

Working Capital

	1932 $	1931 $
Current assets	635,192	714,224
Current liabs.	52,139	53,374
Working capital	583,053	660,850
Ratio	12.18—1	13.38—1

Properties, at cost, are slightly higher at $1,734,454 against which is a reserve for depreciation of $630,584, increased by some $20,000 in 1932. Investments in other companies, less reserve, are down to $46,604 from $51,841. Goodwill remains at $250,000. There is outstanding $162,360 of 6 per cent first mortgage bonds and accrued interest, $20,000 of bonds having been redeemed through the sinking fund in 1932.

Mining Stock Quotations

Week Ending March 6

Par Val.	Range 1933 High	Range 1933 Low	Company	Sales	Close Feb. 27 (or last)	High for week	Low for week	Close Mar. 6
1	.05	.02	Abana..........	1,000	.04	.04	.04	.04
1	.01½	.00½	Aconda.........	4,000	.01	.01	.00½	.00½
No	*.15	.15	Aldermac.......	......	.15	.....	.....	.....
1	.03½	.01	Alexandria.....	14,750	.02½	.03	.02½	.02½
No	.05½	.03	Algoma.........	40,700	.03	.03	.03	.03
1	.01	.00½	Algonquin......	8,000	.00½	.00½	.00½	.00½
1	.01½	.00½	Amity C........	4,000	.01	.01½	.01	.01
No	.25½	.10	Amulet.........	13,196	.16½	.16½	.14½	.15
1	.01	.00½	Apex...........	2,000	.00½	.00½	.00½	.00½
1	.03½	.02	Area...........	1,500	.02	.02	.02	.02
No	.04½	.01½	Arno...........	121,400	.03½	.03½	.02½	.02½
1	1.36	.74	Ashley Gold....	4,854	1.05	1.15	1.00	1.05
1	.14	.02½	Bagamac........	57,000	.08	.09½	.07½	.08½
1	.03	.00½	Baldwin........	11,000	.01½	.01	.00½	.00½
1	.20	.08	Barry Hollinger..	52,450	.12	.14	.08	.09
No	1.00	.75	Base Metals....	200	.80	.80	.80	.80
No	1.00	.98	Beattie........	100	1.00	.98	.98	.98
1	.21	.08	Big Missouri...	17,700	.15	.16½	.13	.16½
1	.18	.08½	Bobjo..........	48,300	.11½	.12½	.10	.10½
1	.25	.15	Brett Trethewey	7,300	.17	.17	.15	.16
1	.03½	.01½	Brownlee.......	29,500	.03	.03½	.02½	.02½
1	.01	.00½	Buckingham.....	......	.01	.....	.....	.....
No	.04½	.02½	Buffalo Can....	5,000	.03½	.03½	.03	.03½
No	.02½	.01½	Bunker Hill....	6,000	.02½	.02½	.02	.02
5s	.65	.60	B'Wana McKubwa	......	.65	.....	.....	.....
No	.04	.03	Canam Metals...	......	.03	.....	.....	.....
1	.12½	.03	Can. Kirkland...	30,687	.07½	.07	.05½	.05½
1	.01	.00½	Capital Rouyn...	1,000	.00½	.00½	.00½	.00½
1	.03½	.01½	Cartier Malartic.	10,000	.02	.01½	.01½	.01½
1	.30	.15	Castle Trethewey	21,300	.20½	.26	.20	.25
1	.15	.06	Cen. Manitoba...	11,100	.10½	.10½	.09½	.10
1	.28	.17	Cen. Patricia....	19,675	.22	.25	.20	.20
No	.11	.03	Chibougamau Pros.	17,500	.07	.08½	.07	.08
	.10½	.08	Church. M. & Mill.	2,500	.09	.08½	.08	.08
No	.02½	.00½	Clericy........	12,700	.01½	.01½	.01	.01½
	.01½	.01	Clifton Cons.....	6,000	.01	.01½	.01	.01
5	3.00	1.65	Coast Copper....	455	2.25	2.50	2.10	2.50
1	.02	.00½	Cobalt Contact..	12,500	.01½	.02	.01½	.02
1	.11	.06½	Columario......	6,000	.08	.07½	.06½	.07
5	1.05	.75	Coniagas.......	......	.75	.....	.....	.....
No	.45	.20	Coniaurum......	3,057	.30	.35	.20	.33
25	68.00	54.00	Cons. Smelters...	3,084	58.50	59.50	54.00	59.50
No	18.50	13.60	Dome Mines......	10,320	15.00	15.75	13.60	13.90
No	.05½	.03½	Dom. Explorers...	8,300	.04	.04½	.03½	.04½
1	.01	.00½	Dominion Kirk...	......	.01	.....	.....	.....
1	.04	.02	Don Rouyn......	2,500	.03½	.03½	.03½	.03½
1	.04½	.02	Duparquet......	2,000	.03½	.04	.03½	.03½
1	1.61	1.16	Eldorado.......	31,565	1.38	1.45	1.16	1.34
No	2.65	1.80	Falconbridge.....	17,850	2.35	2.60	2.25	2.35
1	.02½	.01	Federal........	3,000	.02½	.02	.01½	.01½
No	.02½	.01½	Flintoba.......	......	.02½	.....	.....	.....
No	.02½	.01	Gilbec.........	15,000	.02½	.02½	.01½	.01½
1	.07	.04	Goldale........	7,700	.06½	.06½	.05½	.06
10	.15	.10	Goldfield.......	......	.10	.....	.....	.....
1	.00½	.00½	Gold Hill.......	7,500	.00½	.00½	.00½	.00½
	.01½	.01	Gold Reef.......	......	.01	.....	.....	.....
1	.04½	.02	Goodfish........	......	.03	.....	.....	.....
1	.03½	.01½	Graham.........	......	.01½	.....	.....	.....
1	1.95	1.19	Granada........	50,495	1.37	1.40	1.20	1.30
1	.08	.06	Grozelle........	......	.07	.....	.....	.....
1	.25½	.24½	Halcrow Swayze .	1,900	.24½	.25½	.24½	.24½
1	.04½	.02	Harker.........	32,000	.04	.04½	.03	.03½
1	.01½	.00½	Hilltop.........	7,500	.01	.01	.00½	.00½
5	8.75	6.00	Hollinger.......	10,940	6.80	7.10	6.10	6.50
1	.95	.61	Howey Gold.....	53,665	.65	.70	.61	.64
No	4.25	3.10	Hudson Bay.....	1,860	3.45	3.50	3.25	3.40
No	.40	.25	Huronian.......	200	.36	.40	.38	.38
No	10.37	8.00	Int. Nickel......	42,598	8.25	9.00	8.00	9.00
1	.02	.00½	Jackson Manion .	3,000	.01½	.01½	.01½	.01½
1	.25	.20	Keeley.........	150	.23	.22½	.22	.22
1	.02	.01	Keora Mines.....	......	.01½	.....	.....	.....
1	.76	.60	Kirk. Hud. Bay..	100	.66	.68	.68	.68
1	.02½	.00½	Kirk. Hunton....	35,500	.01	.01	.00½	.00½
1	.52	.30	Kirkland Lake...	13,550	.35	.36	.32	.33
1	.03	.01½	Kirkland Premier	9 500	.03	.02½	.02	.02
1	.22½	.13½	Kirk. Townsite...	22,700	.14½	.15½	.13½	.13½
20c	.01½	.00½	Koot. Florence...	5,000	.00½	.00½	.00½	.00½
1	*.01½	.01½	La Rose........	......	.01½	.....	.....	.....
1	.35	.18	Lakeland.......	1,500	.25	.22	.18	.18
1	.18	.08	Lake Maron.....	18,500	.16	.18	.15½	.16
1	40.00	30.75	Lake Shore......	22,676	33.25	34.40	30.75	31.60
1	.05½	.02½	Lebel Oro.......	63,780	.04½	.05½	.04	.05
1	.36½	.20	Macassa........	98,050	.31	.32	.21	.25
1	.08	.05	Malartic........	13,900	.06	.06½	.05	.06
1	.02½	.01½	Malrobic........	10,000	.01½	.01½	.01½	.01½
No	.08	.03½	Mandy..........	250	.04	.08	.03	.03½
No	.03	.01½	Manitoba Basin..	23,700	.01½	.02	.01½	.01½
5	27.60	21.20	McIntyre.......	10,410	23.00	25.00	21.50	21.50
1	.50	.30	McKinley.......	64	.48	.45	.45	.45
No	.08	.02½	McLeod River...	253,200	.05½	.05½	.04	.04
1	.07½	.03	McMillan........	4,500	.07½	.09	.07	.09
No	.75	.46	McWatters.......	15,000	.55	.55	.51	.51
1	.32	.15	McVittie........	19,800	.26	.27½	.25½	.25½
5	.35	.06	Mentor Exp. & Dev.	1,000	.06	.35	.35	.35
No	1.80	1.20	Mining Corp.....	9,595	1.39	1.45	1.20	1.39
1	.03	.01½	Moffatt Hall.....	13,500	.02	.03	.02	.02½
1	.06½	.02	Moneta.........	500	.04½	.04	.04	.04
1	.40	.18	Moss...........	120,300	.21	.22	.18	.18
1	.02½	.00½	Murphy.........	27,500	.01½	.01½	.01½	.01½
No	.05	.02½	Newbec.........	5,550	.03½	.03½	.02½	.03
1	.06	.01½	Night-Hawk Penn	8,500	.04	.04	.03½	.03½
5	1.95	1.15	Nipissing.......	4,880	1.46	1.70	1.30	1.70
No	25.50	19.75	Noranda........	27,888	22.75	23.25	20.20	20.75
No	.52	.32½	Nor. Canada.....	1 300	.38	.40	.38	.38
No	.21½	.20	Normont Hold...	6,500	......	.21½	.20	.21½
No	.02½	.01	Old Colony......	100,000	.01½	.02½	.01½	.01½
1	.14	.05	Osisko..........	1,000	.08	.07	.07	.07
1	.18½	.11	Parkhill.........	44,900	.15½	.18	.15½	.16
1	.03½	.01½	Pawnee Kirk.....	6,000	.02½	.02½	.02½	.02½
1	.75	.54	Pend Oreille.....	1,100	.60	.58	.56	.58
1	.01½	.00½	Peterson Cobalt..	8,000	.01½	.01½	.01½	.01½
1	6.15	4.30	Pioneer Gold B.C.	12,050	5.70	6.10	5.25	5.35
1	.01½	.01	Porcupine Crown.	500	.01½	.01½	.01½	.01½
1	.00½	.00½	Potter Doal.....	4,000	.00½	.00½	.00½	.00½
1	*.12	.12	Powell Rouyn....	......	.12	.....	.....	.....
1	.82	.60	Premier Gold....	8,520	.69½	.72	.68	.72
1	.02½	.01	Preston E. Dome.	3,500	.01½	.01½	.01½	.01½
No	.95	.75	Prospectors Air's.	......	.90	.....	.....	.....
No	*1.00	1.00	Quebec Pros.....	......	1.00	.....	.....	.....
No	.15	.03	Quemont........	60	.15	.05½	.05½	.05½
1	.02½	.00½	Ribago.........	11,500	.00½	.01	.00½	.00½
1	.03	.01½	Ritchie.........	8,000	.01½	.02	.01½	.01½
1	.04	.01	Robb Montbray..	2,100	.02½	.02	.02	.02
1	1.21	.75	San Antonio.....	29,206	.90	.92	.75	.75
1	.03	.03	Seven Troughs...	......	.03	.....	.....	.....
1	.48	.33	Sherritt Gordon..	10,350	.40	.40	.38	.38
1	1.77	1.25	Siscoe..........	217,370	1.41	1.45	1.30	1.35
1	.10½	.06	South Keora.....	3,000	.06½	.06½	.06	.06
No	.05	.01½	Stadacona......	215,950	.03½	.04	.03½	.03½
1	.14	.07	St. Anthony.....	1,000	.09	.07	.07	.07
No	.83	.60	Sudbury Basin...	13,965	.75	.80	.70	.80
1	.03	.00½	Sudbury Contact.	7,500	.02	.02½	.02	.02
1	.01½	.00½	Sudbury Mines...	1,000	.00½	.00½	.00½	.00½
1	.38½	.20	Sullivan........	29,600	.30	.32½	.26	.27
1	1.21	.72	Sylvanite.......	57,400	.85	.88	.75	.80
1	.03½	.01½	Tashota.........	20,500	.02	.02½	.01½	.02
	.18½	.15½	Tashota Goldfield	......	.18½	.....	.....	.....
1	5.10	3.70	Teck Hughes....	52,050	3.95	4.25	3.70	3.85
1	.10	.04½	Thom Cadillac...	8,100	.06	.06½	.06	.06
1	.16½	.10	Towagmac......	1,000	.14	.14	.14	.14
1	2.00	1.10	Treadwell......	100	1.50	1.55	1.55	1.55
1	.08	.05	United Kirkland .	9,500	.07½	.08	.07½	.07½
No	.06½	.02½	Vacuum Gas....	12,000	.03	.03	.02½	.02½
No	2.40	2.30	Venezuela Gold..	300	2.35	2.35	2.35	2.35
No	1.28	.80	Ventures.......	142,915	.96	1.08	.90	1.00
1	.22	.09	Vickers........	16,750	.20½	.21	.18	.18
1	.41½	.20	Vipond.........	4,964	.35	.35	.28	.30
No	.60	.35	Waite Ackerman.	100	.35	.35	.35	.35
1	.04½	.03½	White Lake.....	......	.03½	.....	.....	.....
1	.08	.02	Wiltsey Coughlan	24,200	.06½	.07½	.06	.07½
1	.12	.07	Wood Kirkland..	500	.10	.09½	.09½	.09½
No	5.05	3.73	Wright-Hargreaves	144,070	4.25	4.39	3.75	3.90
			OIL STOCKS					
No	.12	.08	Acme Gas & Oil..	8,300	.08½	.08½	.08	.08
1	.82	.65	Ajax...........	1,850	.67	.70	.65	.65
1	.10	.05	Alta. Pacific....	1,000	.05	.10	.10	.10
1	*.03½	.02	Askalta........	......	.03½	.....	.....	.....
No	.07	.04½	Associated......	1,900	.06	.06	.05	.05½
No	.02½	.01	Baltac.........	11,000	.02	.02	.02	.02
1	*.05	.02½	Brit. Dominion ..	......	.03½	.....	.....	.....
No	.35	.25	Calgary & Ed....	700	.30	.33	.33	.33
1	.05	.04	Calmont........	......	.04½	.....	.....	.....
1	.06	.04	Common. Pete...	700	.05	.06	.05½	.06
No	.20	.05	Dalhousie......	580	.14	.15	.05	.05
No	.02	.02	Devenish.......	......	.02	.....	.....	.....
No	*.02	.00½	Dome Oil.......	......	.00½	.....	.....	.....
No	.07	.06	East Crest......	1,000	.06	.06	.06	.06
	.25	.25	Erie Gas........	......	.25	.....	.....	.....
No	*.01½	.01	Fabyan Pete.....	......	.01½	.....	.....	.....
No	*.25	.05	Foothills.......	......	.15	.....	.....	.....
No	*.03½	.02	Freehold.......	......	.02	.....	.....	.....
1	*.02	.00½	Great West......	......	.00½	.....	.....	.....
No	*.06½	.03	Hargal.........	......	.03	.....	.....	.....
No	*.65	.02	High Sarcee.....	......	.02	.....	.....	.....
No	.45	.30	Home..........	250	.35	.43	.35	.4
No	*.05	.01½	Homestead......	......	.01½	.....	.....	.....
1	.20	.10	Homestead O. & G.	2,200	.12	.12	.10	.12
1	*.01	.00½	Illinois Alberta...	......	.00½	.....	.....	.....
No	*.02½	.00½	Lethbridge......	......	.00½	.....	.....	.....
No	*.10	.04	Lowery.........	......	.10	.....	.....	.....
No	*.02	.00½	Madison........	......	.00½	.....	.....	.....
1	.21	.14	Mayland........	100	.21	.20	.20	.20
No	*.04	.01½	McD. Segur Ex. .	......	.01½	.....	.....	.....
1	*.04	.01	McD. Segur N....	......	.01	.....	.....	.....
1	*.50	.18	McLeod.........	......	.18	.....	.....	.....
No	*.10½	.06½	Mercury........	......	.07½	.....	.....	.....
No	.16	.13½	Merland........	3,500	.14½	.15	.13½	.14
No	*.15	.08½	Mill City Pete....	......	.08½	.....	.....	.....
1	*.20	.12½	Model..........	......	.13	.....	.....	.....
1	*.05	.04	Monalta........	......	.05	.....	.....	.....
1	*.07	.03	Moose Mountain.	......	.03	.....	.....	.....
1	*.01	.01	New Federal.....	......	.01	.....	.....	.....
5	.20	.09	Nordon.........	4,650	.11	.12	.10	.10
1	.04	.02½	Oil Selections....	3,000	.03½	.03½	.03	.03
No	.06	.05½	Okalta.........	1,000	.05½	.05½	.05½	.05½
No	.31	.20	Olga Gas & Oil...	27,000	.30½	.30½	.29	.29
No	.03½	.01½	Penn. Pete......	29,000	.02½	.03	.02	.02
1	.17	.15	Petrol Oil & Gas.	500	.16	.16	.16	.16
No	*.14	.08	Ranchmen's......	......	.09	.....	.....	.....
1	*.01	.00½	Regent.........	......	.01	.....	.....	.....
No	*.02½	.01	Richfield.......	......	.01	.....	.....	.....
No	7.10	6.00	Royalite........	145	6.50	6.50	6.50	6.50
1	.11	.07	Sarnia Oil......	4,000	.07½	.07½	.97	.07
1	*.03	.01	Signal Hill......	......	.01	.....	.....	.....
No	.07	.04	South West Pete.	......	.05½	.....	.....	.....
1	*.30	.10	Spooner........	......	.15	.....	.....	.....
No	.14	.12	Sterling Pacific..	......	.12	.....	.....	.....
	.43½	.43	Trinidad Oil.....	......	.43½	.....	.....	.....
1	*.11	.07½	Turner Valley....	......	.07½	.....	.....	.....
No	.08	.03	United.........	......	.03	.....	.....	.....
1	*.09½	.03	Vulcan.........	......	.03	.....	.....	.....
No	.01	.00½	Wainwell.......	3,500	.00½	.00½	.00½	.00½
			VANCOUVER STOCK EXCHANGE (Transaction for week to February 28)					
25c	*.00½	.00½	Bayview........	......	.00½	.....	.....	.....
1	.70	.60	B. C. Silver.....	......	.70	.....	.....	.....
20c	.05½	.02½	Beaver Silver....	14,850	.05	.05	.04	.04
25c	.03	.02½	Bluebird........	......	.03	.....	.....	.....
No	2.12	1.38	Bralorne........	25,697	1.91	2.12	1.92	2.05
1	.07	.05	Bridge River Cons.	123,250	.06½	.07	.06½	.07
1	2.85	2.00	Cariboo Gold....	6,845	2.30	2.40	2.30	2.40
No	7.50	5.00	Coast Breweries..	......	6.75	.....	.....	.....
25c	.01	.00½	Cork Province...	......	.01	.....	.....	.....
1	.02½	.02½	Cotton Belt.....	......	.02½	.....	.....	.....
1	.04	.00½	Dalhousie Mines.	1,000	.01½	.04	.04	.04
1	.40	.30	George Copper...	20	.35	.40	.40	.40
50c	*.02	.01	Geo. Enterprise..	......	.01	.....	.....	.....
1	.03	.02½	Georgia River....	27,085	.02½	.02½	.02½	.02½
1	.20	.16	Golconda.......	1,500	.20	.20	.20	.20
50c	.04½	.03½	Grandview......	7,985	.04½	.04½	.04	.04
1	*.01	.00½	Independence....	......	.00½	.....	.....	.....
1	.01	.01	Indian Mines....	......	.01	.....	.....	.....
1	.11	.08½	Inter. Coal......	2,500	.10½	.11	.08½	.08½
1	*.21	.21	Jack Waite......	......	.21	.....	.....	.....
25c	*.00½	.00½	Kootenay King...	......	.00½	.....	.....	.....
10c	.02	.01½	Lucky Jim.......	2,100	.01½	.01½	.01½	.01½
5c	.12	.04	Metaline Metals .	......	.06	.....	.....	.....
1	*.03	.00½	Morton Woolsey	......	.00½	.....	.....	.....
50c	.02½	.01½	National Silver...	43,000	.02½	.02½	.02½	.02½
50c	.06½	.02½	Noble Five......	18,570	.06	.06½	.05½	.05½
50c	.01	.01	Oregon Copper...	......	.01	.....	.....	.....
1	6.10	4.30	Pioneer Gold....	7,250	5.80	6.10	5.75	5.85
50c	.07½	.04½	Porter Idaho....	12,500	.07	.07½	.06½	.06½
No	.00½	.00½	Premier Border ..	1,000	.00½	.00½	.00½	.00½
No	.20	.15	Reeves McDonald	1,000	.16	.15	.15	.15
1	.77	.63	Reno Gold.......	70,400	.68	.69	.63	.65½
1	.02½	.02½	Rufus Argenta...	......	.02½	.....	.....	.....
1	.03½	.02½	Ruth Hope......	5,500	.03½	.03	.02½	.03
1	*.05	.02	Silverado.......	......	.05	.....	.....	.....
25c	.03½	.01	Silver Crest.....	63,050	.03	.03½	.02½	.03½
50c	.01½	.01	Snowflake.......	13,500	.01½	.01½	.01	.01
1	.25	.25	Sunloch........	......	.25	.....	.....	.....
No	*.06	.05	Vanalta........	......	.06	.....	.....	.....
20c	*.20½	.01	Wellington......	......	.01	.....	.....	.....
1	.04	.03	Whitewater......	......	.03½	.....	.....	.....

*Quotations for 1932. No sales recorded in 1933 to date.

DIVIDEND PAYERS

	Rate	Yield %		Rate	Yield %
Ajax Oil............	12c.	....	Merland Oils†........	2½c.	....
Coniagas‡..........	12½c.	....	Noranda............	$1.10	....
Coniaurum†.........	3c.	....	Petrol Oil...........	2c.	....
Cons. Smelters*......	10%	....	Premier.............	12c.	16.66
Dome Mines.........	$1+30c.	9.35	Pioneer, B.C.........	24c.	4.48
Falconbridge.........	10c.	....	Royalite............	$1.50	....
Hollinger...........	65c.+10c.	11.53	Siscoe..............	12c.	8.88
Howe Sound.........	40c.	....	Sterling Pacific Oil†....	2½c.	....
Lake Shore..........	$1+$1	9.49	Sylvanite...........	4+1c.	6.25
McIntyre...........	$1.50	6.97	Teck Hughes.........	60c.	15.58
McLeod Oils‡........	5c.	....	Wright-Har..........	20c.	5.12

*Stock. ‡Interim. †Initial.

INDUSTRIAL ACCEPTANCE CORPORATION Limited
Commercial and Industrial Bankers
Head Office—Windsor, Ontario

Pulleys, Saws, Mill Supplies
Belting for Every Need
N. SMITH BELTING WORKS
138-140-142 York St.
Toronto, Can.

Investors' Chronicle
6d. Established 1860 6d.
Has the Largest Net Sales of any Weekly Financial Newspaper in Great Britain
OVERSEAS FINANCE
Special Correspondents in all Financial Centres
A free specimen copy will be forwarded on post-card application to:—
THE PUBLISHER, INVESTORS' CHRONICLE, 20, BISHOPSGATE, LONDON, E.C. 2, ENG.

Established in 1889 By the late J. P. Langley, F.C.A.
J. P. LANGLEY & CO.
C. P. ROBERTS, C.A.
Chartered Accountants
G. S. HOLMESTED
Authorized Trustee in Bankruptcy Proceedings
Liquidator, Receiver, Etc.
Offices
McKINNON BUILDING
Elgin 5305-6 TORONTO

QUEBEC LAND SURVEYORS
LINDSAY & BELANGER
C. C. Lindsay, C.E. & Q.L.S. Henri Belanger Q.L.S.
City and Country Property, Townsites, Mining Claims, Power Sites and Flooded Areas, Transmission Lines, Timber-limit boundaries, etc.
Architects' Building, 1135 Beaver Hall Hill, MONTREAL, Que.
Tel. LAncaster 7184

MILLAR, MACDONALD & CO.
CHARTERED ACCOUNTANTS
WINNIPEG MANITOBA

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

CLARKSON, GORDON, DILWORTH, GUILFOYLE & NASH
TORONTO OTTAWA WINDSOR
CLARKSON, McDONALD, CURRIE & COMPANY
MONTREAL and QUEBEC
Chartered Accountants
E. R. C. CLARKSON & SONS
Authorized Trustees and Receivers
15 WELLINGTON STREET WEST TORONTO

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
Murray Bay, Que. Sault Ste. Marie, Ont.
Beaupre, Que. Iroquois Falls, Ont.
Sturgeon Falls, Ont. Smooth Rock Falls, Ont.
Espanola, Ont. Fort William, Ont.
Pine Falls, Manitoba
Daily Capacity 2200 Tons Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

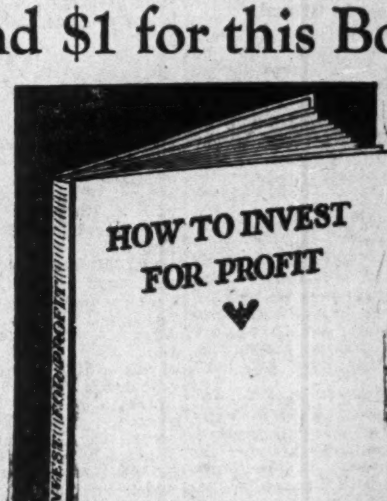
J. Harold McLean & Co.
Certified Public Accountants
Authorized Trustees and Liquidators
J. Harold McLean, C.P.A.
388 St. James St. West, LAncaster 9434
Montreal, P.Q.

TOOLE, PEET & CO.
LIMITED
FINANCIAL AGENTS
Appraisers and Valuators
Estates Managed
CALGARY CANADA

Black & Armstrong
Real Estate, Valuations, Rentals.
Farm Lands, Mortgages and Insurance
200 Toronto General Trusts Bldg.,
Winnipeg, Manitoba

Capital: $1,000,000
Complete Trust Service
covering
Wills and Trusts
Mortgage Loans
Real Estate and Investment
Registrar and Transfer Agents
Safety Deposit Vaults
THE EASTERN TRUST COMPANY
Head Office — Halifax, N.S.
Saint John, N.B. St. John's, Nfld. Charlottetown, P.E.I.
MONTREAL
212 St. James Street W.

Send $1 for this Book


HOW TO INVEST FOR PROFIT

How to Invest for Profit
Here is a book on the fundamentals of investing written from the Canadian standpoint. It deals with stocks and bonds; how to select them; how to judge their value; how to buy them; dealing with stock brokers, etc. $1
THE FINANCIAL POST,
153 University Ave., Toronto.
Please enter my name to receive:
☐ How to Invest for Profit—$1.00 a copy.
Enclosed is $............ in payment.
Name ....
Address 300

WESTERN SAVINGS and LOAN ASSOCIATION
FIRST MORTGAGE LOANS
Agencies: throughout Manitoba, Saskatchewan and Alberta
Head Office: WINNIPEG. MAN.

Canadian Mining News

KIRKLAND LAKE REPORT SHOWS $137,214 PROFIT

Extensive Programme Reduces Profit Below Last Year

GOOD ORE AT 4,900 FT.

Cash Position Good Despite Heavy Investments Made in Other Properties

Annual report of Kirkland Lake Gold Mining Co. for the year ended Dec. 31, 1932, shows net profits of $137,214 after depreciation reserves of $26,117 as compared with a net profit of $203,051 in the previous year.

The normal value of the gold bullion produced reflected the lower grade of ore due, partially, to treating ore from the company's extensive exploration programme at depth. Rent, miscellaneous income and premium on exchange compensation brought the total revenue close to the previous year's figure, but increased operating expenses occasioned by the development programme and reduced the net profit.

The following tabulation shows two years comparison of income and surplus accounts:

Income and Surplus Account
Years Ended December 31

	1932 $	1931 $
Bullion production ..	524,330	586,251
Less:		
Oper. exp.	409,982	378,408
Taxes	13,070	3,222
Adminis.	20,578	19,406
Oper. earn.	80,700	185,215
Non-oper. income:		
Rent, int., etc. ...	14,510	12,285
Premium	68,121	29,632
Total earnings	163,331	227,132
Less write offs:		
Depreciation	26,117	24,081
Net profit	137,214	203,051
Previous surplus	48,741	*154,310
Balance forward	185,955	48,741

*Deficit.

In his report to directors, W. W. Sixt, manager, reviewed the company's development programme which included sinking the main winze from the 4,750 ft. level to the 4,900 ft. level; crosscutting 1,000 ft. south on the 4,900 ft. level and the sinking of the No. 2 winze from this point for 542 ft. This makes the lowest workings 5,443 ft. vertical depth—the deepest of any gold mine in Canada.

Good Ore at 4,900 Ft.

On the 4,900 ft. level drifting west on the vein from the crosscut encountered an ore shoot considerably longer than on the 4,750 ft. level. At the end of 1932 the face of the drift was still assaying high grade ore. Work is now directed at opening up four new levels from the No. 2 winze below the 4.900 ft. horizon. Shaft sinking is completed for the period.

The following tabulation gives summary of production since inception of operations together with comparative production costs per ton for the past two years:

(Ontario Government Figures)

Year	Tons treated	Total Recovery $	Rec. per Ton $
1919	11,324	56,263	4.97
1920	40,812	286,901	7.03
1921	43,966	242,417	5.51
1922	37,489	224,396	5.99
1923	45,449	223,102	4.90
1924	8,091	46,513	5.75
1925	Nil		
1926	10,829	126,999	11.75
1927	52,648	473,673	9.00
1928	57,883	414,596	7.16
1929	53,595	352,789	5.58
1930	52,106	533,851	10.24
1931	52,628	586,251	11.14
1932	56,492	524,330	9.30
		4,102,081	

Production Costs Per Ton of Ore

	1932 $	1931 $
Oper. & gen. exp.	7.49	7.30
Administration	.37	.37
Operating costs	7.86	7.67
Depreciation	.46	.46
Total cost per ton	8.32	8.13

During the year the contract with the Macassa Mines to extend the drift on the 2,475 ft. level westward into the Macassa property was completed. In October an agreement was made with the Grozelle Kirkland Gold Mines to undertake a drive along the main vein to the westerly limit of that property. This work is now in progress and payment is being made by taking up treasury shares of the company.

Buys Interest in Grozelle

Owing to the extensive work necessary before development could be started, the new ore developed during 1932 was small as compared with the previous year.

In February, 1932, the company purchased controlling interest in the Grozelle Kirkland Gold Mines owning the five adjoining claims on the south. In October it purchased 200,000 shares of treasury stock of Kenty Gold Mines and took an option on an additional 1,100,000 shares of treasury stock until June, 1935. The first block of optioned stock was taken up and payment made on January 15, 1933.

During 1932 two prospectors were sent to Great Bear Lake to explore properties staked the year previous, but to date results have not been encouraging.

Despite the extensive development programme conducted by the company and its purchase of controlling interest in the Grozelle Kirkland Gold Mines and an interest in the Kenty Gold Mines, the working capital remains strong and showed a decline of less than $100,000.

The following tabulation gives current assets, current liabilities and working capital for the past two years:

Working Capital

	1932 $	1931 $
Current assets	327,438	425,776
Current liabilities ...	29,147	33,678
Working capital	298,291	392,098

The annual meeting of the company is called for March 21, in Toronto.

Premier Gold Reports Net Profits of $614,251 Mine Near Depletion

Usual Depletion Reserves Shown at $506,503; Production Up

TOBURN PROFITABLE

One-half Interest Acquired in Western Australia Property Now Under Development

Annual report of Premier Gold Mining Co. for the year ended Dec. 31, 1932, reiterates the statement made in previous years, that the Premier ore shoot, at Premier, B.C., has bottomed, as to commercial values, slightly above the fifth level with a few roots of profitable grade persisting down to the sixth level. Despite the outlook painted for this property, the value of the ore recovered in 1932 showed a substantial increase over that of the previous year, due partially to the exchange compensation.

The profit for 1932 was $614,251 before depletion reserves of $506,503. This compares with a profit of $635,713 in 1931. Dividend requirements were $679,900.

The following tabulation gives comparative income and surplus account figures for the past two years:

Income and Surplus Account
Years Ended Dec. 31

	1932 $	1931 $
Value of ore sold	1,781,672	1,648,350
Less: Oper. expenses	706,244	805,843
Adminis. exp.	7,623	6,946
Income taxes	153,004	66,529
Net oper. earn.	914,801	769,032
Add: Miscel. inc.	20,533	41,364
Net earnings	935,334	810,396
Less: Deprec.	100,902	99,620
Depletion	506,503	370,235
W/o Prosperity ...	120,181	......
W/o Porter-Idaho..	99,999	200,000
W/o Forty-Nine Min. Co.	......	36,942
Net profit	107,749	103,599
Return of cap. from deprec. & deplet. res.	572,151	532,114
Avail. for divds.	679,900	635,713
Less: Dividends	679,900	635,713
Earnings per Share and Dividend Record:		
Earned*	$0.123	$0.095
Paid	0.12	0.12

*Before depletion.

For several years it has been the policy of the company to make heavy depletion reserves, which alters the complex of the net profit. Dividends are then paid as a return of capital accrued through the reserve account set up for ore depletion and depreciation.

Liberal Write Off Policy

In 1932 the company pursued its same liberal policy with respect to write-offs of investments in subsidiary companies.

Development work was carried on at an increased tempo during the year, although the total operating expenses declined. Exploration and development coupled with diamond drilling were continued in horizons above the sixth level designed to find and open up various spur and stringer veins in the foot and hanging walls of the main ore shoot and while this did not result in opening up as much new ore as was mined during the year, H. A. Guess, vice-president and managing director of the company, says it was moderately successful.

The total of broken and unbroken ore reserves, down to the sixth level are estimated at 155,467 tons, having a gross value of $7.92 per ton. This compares with 253,623 tons having a gross value of $8.61 per ton at the end of 1931, indicating 98,156 tons less ore at the end of 1932 than at the end of 1931.

The following tabulation gives production since inception of operations:

Production

Year	Mined (tons)	Bullion Receipts $	Receipts per ton $
1919	488	*165,000	*338.00
1920	799	*124,000	*155.19
1921	4,356	*1,400,000	*321.40
1922	102,334	4,782,885	46.75
1923	145,665	3,252,917	22.33
1924	159,014	3,857,328	24.26
1925	168,557	3,267,214	19.38
1926	230,987	3,782,032	16.37
1927	244,172	3,737,565	15.31
1928	275,811	3,180,117	11.53
1929	266,972	2,404,980	9.01
1930	256,836	1,996,748	7.77
1931†	242,317	1,648,350	6.80
1932	221,718	1,781,673	8.06

*Approximate.
†Includes Prosperity production.

Paid $16,629,503 in Dividends

During the fourteen years the Premier property has been in production it has produced 1,280,206 oz. gold and 32,728,182 oz. silver. Net profits, before depreciation and depletion, totalled $20,514,129, of which $16,629,503 has been disbursed to shareholders in dividends.

In order to perpetuate its existence as a mining enterprise the company maintains exploration parties and has acquired interests in subsidiary companies. Work at the Prosperity mine in B .C., in which the company has a 76 per cent interest was suspended in April, 1931. At the Porter-Idaho property, adjoining Prosperity, work was suspended in April, 1931.

In January, 1931, the company took an option on the old Tough-Oakes-Burnside property at Kirkland Lake, Ont., and formed the Toburn Gold Mines, which it later purchased at a cost of $141,743. It now owns 1,490,000 shares out of the 1,850,000 Toburn shares issued. The balance being owned by Bunker Hill Extension Mines. After expenditure of $298.000 in development and rehabilitation, which advance is to be reimbursed with interest from earnings, production was started in August last and to the end of 1932 amounted to $206,244 from 14,873 tons of ore milled. Profit on this production, before depreciation or depletion, was $92,589 which has been applied to reduce the Premier's advance.

Toburn Finds Ore

Ore reserves at Toburn, as at the end of 1932, were estimated at 29,200 tons of approximately the same grade as that milled during the year. The report says that there is every likelihood that further ore of profitable grade will be found from time to time in exploration and development work, which is under the direction of M. W. Hotchkin, superintendent.

In September, 1932, Premier, jointly with American Smelting & Refining Co. acquired a long-term lease on the Big Bell and Little Bell gold properties in the Murchison district of Western Australia. Preliminary examination indicates a vein 80 ft. in width estimated to average four pennyweight gold per ton. This property formerly produced 60,000 tons of ore averaging 3½ pennyweight gold per ton. Diamond drilling was started in January, 1932.

Premier continued negotiations with the B. C. Silver Mines to effect a working arrangement with this company, without success.

The balance sheet of the company indicates a strong liquid position.

The following tabulation gives current assets, current liabilities and working capital for the past two years:

Working Capital

	1932 $	1931 $
Current assets	2,287,890	2,126,334
Current liabs.	400,948	376,668
Working capital	1,886,942	1,749,668

Canadian Mineral Production

Compiled by The Dominion Bureau of Statistics

		October 1932	November 1932	Eleven Months Ending November 1931	1932
Asbestos	tons	13,232	11,616	153,659	108,388
Cement	brls.	410,632	195,236	9,790,986	4,587,502
Clay products	$	324,577	248,735	7,812,968	3,825,493
Coal	tons	1,266,450	1,246,454	11,036,764	10,526,326
Copper	lb.	22,587,353	17,716,133	269,425,892	224,680,976
Feldspar	tons	452	433	17,709	6,567
Gold	fine oz.	253,057	252,517	2,452,459	2,777,416
Gypsum	tons	52,345	27,601	809,341	418,557
Lead	lb.	19,860,118	26,360,965	246,755,261	235,153,252
Lime	tons	34,822	29,211	320,436	307,974
Natural gas	M. cu. ft.	1,712,111	2,182,352	23,058,324	21,464,212
Nickel	lb.	2,141,168	1,227,747	62,135,795	29,009,422
Petroleum	brls.	78,845	77,107	1,478,254	973,532
Salt (commercial)	tons	16,683	18,640	147,448	158,380
Silver	fine oz.	1,511,120	1,514,817	19,049,887	16,677,579
Zinc	lb.	13,703,319	13,305,200	222,665,296	158,314,825

Granada's New Unit Proving Effective

After two months of tuning operations the Hadsel mill at Granada Gold Mines shows the total cost including power, maintenance and labor to be appreciably less than the old mill, which has been in operation two and a half years.

Changes are now in the process of being made that will further increase the general efficiency and it is expected these changes will be completed this month.

MONTREAL CURB PLANS TO LIST VENEZUELA CO.

Canadian Marts Recognized as Leading Mining Exchanges

The application for listing on the Montreal Curb Market of the shares of Venezuela International Goldfields, Ltd., marks the further recognition of Canadian exchanges as the mining marts of this continent.

The new company was incorporated with a Dominion charter January 23, 1933, and was promoted by New York interests, although Sir James T. Currie, K.C.B., of London, England, is president. The authorized capitalization is 10,000,000 shares of no par value of which 2,640,000 have been issued, 1,500,000 are under option until February 1, 1935, and 2,040,000 shares are pooled to February 1, 1934.

The company under arrangements made with and through W. C. Kaelin has paid $2,550,000 for mining rights in the Republic of Venezuela, including stock of corporation known as Gran-Colombia Corporation and contract with H. W. Schumacher connected therewith covering so-called Schumacher holdings, including 90 year concessions on 750 acres known as Italica No. 1 and No. 2, lying directly north of famous Increible mine, State of Bolivar and 90 year concession on 1,500 acres known as La Florida, La Dorado & Oriental, South of Cayuni, State of Bolivar and denouncements in the southeast corner of the Delta Amacuro bordering on the South line of the State of Bolivar and rights to select concessions relating to a total of 25,000 acres; also arrangements made for acquisition through Messrs. Kaelin, Leclair, Colmenares and associates of rights to cover 5,700 acres, including the Santa Rosa concession located in said State of Bolivar, to be held through ownership of the stock of a Venezuelan corporation to be known as Campania Minera Santa Rosa, S.A. The company proposes to use the proceeds derived from approximately 50 per cent of its authorized capital stock in exploration and development work in Canada and in acquiring mining properties and developing them to the producing stage.

FIND AT VIPOND OF LITTLE MOMENT SAY OFFICIALS

No Sizeable Ore Shoot Possible as Ground Explored

Officials of Vipond Consolidated Mines confirmed the report that diamond drilling on the 500 ft. level encountered 24 ft. of spectacular ore, but discount its significance owing to the possibility of the drill following a fracture and knowing that the size of any ore shoot is necessarily limited.

Previous exploration work above and below the site of the present find failed to disclose ore of importance. Crosscutting in under way to the find, but officials believe that its possible size cannot in any event materially enhance the company's ore position.

In the annual report last October a dark outlook was pictured for the finding of ore as a widespread exploration effort had not been successful.

The following tabulation shows production for the last quarter of 1932 together with the total for that year:

Ontario Govt. Figures

	4th quar. 1932	Total 1932
Total recov.	$125,900	$454,412
Tons milled	27,719	107,197
Rec. per ton	$4.54	$4.24
Tons daily	301	293

NORANDA EARNS $1.61 PER SHARE EXPAND PLANTS

Big Jump in Gold Output Costs Dropping; Ore Reserves Up

OUTLOOK BRIGHT

Efforts Concentrated on Exploiting Gold While Copper Prices Low

The tenth annual report of Noranda Mines covering the fifth year of production shows net profits of $3,600,809 equivalent to $1.61 per share on the 2,239,772 shares outstanding, as against dividend requirements of $2,844,914. This compares with net profits of $2,374,041 or $1.06 per share last year—an advance of 52 per cent in earnings.

Metals recovery for 1932 constitutes a near record being within $200,000 of the 1930 output. A significant item is the lower cost of metals production despite the greater output. Depreciation reserves were higher reflecting the same liberal policy of writing off plant additions.

The following tabulation shows comparative income figures for the past two years.

Income and Surplus Account
Years Ended Dec. 31

	1932 $	1931 $
Metal recoveries	11,752,629	10,506,233
Less: Operating expenses:		
Cost of prod.	5,876,700	6,012,384
Admin. & gen. exp.	273,804	268,923
Reserve for taxes..	792,012	660,000
Earnings from oper..	4,810,613	3,564,926
Add: Other income...	357,473	237,629
Total income	5,168,086	3,802,555
Less: Res. for deprec.	1,507,065	1,418,542
Outside explor. w/a	60,121	9,972
Net profit	3,600,809	2,374,041
Less: Dividends	*2,844,914	1,119,886
Surplus for year	755,895	1,254,155
Add: Previous surplus	5,112,887	3,890,114
Less: Addit. tax	......	31,382
Balance forward	5,868,782	5,112,887

*Includes premium on U. S. funds, $381,165.
*Paid in U. S. funds.

Earnings and Dividend Record:

Earned	1.61	$1.06
Paid	*1.10	0.50

Following the policy previously announced the gold production was increased, while copper output was curtailed owing to unprecedented low prices. The total tonnage shipped to the smelter was approximately 20 per cent greater than in 1931, but due to the flexibility of the ore deposits production was adjusted to effect greater gold production with less production of copper.

The following tabulation shows the relative tonnage treated and metals recovered since inception of operations.

	Production Tons of Ore Treated	Copper Lbs.	Gold Ozs.	Silver Ozs.
1927	10,740	552,345	767	2,644
1928	271,926	33,065,261	52,949	186,277
1929	428,221	51,223,115	68,732	334,279
1930	734,072	75,569,373	117,393	691,920
1931	765,544	62,859,355	253,363	558,801
1932	918,567	63,013,485	341,350	619,597

At the Horne mine the No. 4 shaft was deepened from the 1,557 ft. to the 2,560 ft. horizon, as is the No .3 shaft. Very little general development work was done in the Horne property during 1932, efforts being concentrated on the cutting of ore passes and further exploring and sampling the massive sulphide orebody known as No. 21 or lower "H," found late in 1930.

Further exploration of the various orebodies above the 1,975 ft. level resulted in the finding of a greater tonnage of new ore than was mined during the year, so it was possible to add to the previously reported ore reserves, all of the ore that was developed in the "lower H" orebody between the 1,975 ft. and 2,475 ft. levels.

The following tabulation shows ore reserves as developed:

Ore Reserves

	Tons	Gold Per Ton	Copper %
Direct smelt.	5,750,000	$3.27	7.60
Concent.	15,800,000	4.00	1.16
Silicious	900,000	4.17	0.28

J. Y. Murdoch, K.C., president of the company, said with the dividend payment of $1.10 per share in United States funds in 1932, the total dividend disbursements were $9,700,077. The companys' copper refining subsidiary, the Canadian Copper Refiners, at Montreal East, is providing for doubling the precious metal refining division to expedite the handling of the increased precious metal output evidenced by concentration additions which will bring this section up to 2,000 tons daily this month.

In his report to the president, H. L. Roscoe, general manager, at Noranda, said the Chadbourne group of seven claims, adjoining the Horne mine on the west, were further diamond drilled to a depth of 750 ft. during 1932, showing spotty but persistent gold values over long lengths in the holes. Former surface trenching showed an area 130 ft. wide by 250 ft. long, averaging $3 per ton in gold, to at least 350 ft.

The balance sheet as at December 31, 1932, showed at strong cash position notwithstanding the dividends paid and the heavy capital expenditures in hand during the year. Current assets included $2,149,421 in cash and call loans.

Working Capital

	1932 $	1921 $
Current assets	7,782,607	7,924,680
Current liabilities ...	1,220,788	1,303,465
Working capital	6,561,819	6,621,215

NORTHERN CANADA REPORT REFLECTS KENTY INTEREST

Securities Have Market Value of $649,365 at Year End

Annual report of Northern Canada Mining Corp., which operates as a holding company, shows for the year ended December 31, 1932 current assets of $20,145 as compared with $3,469 the previous year. Current liabilities remain the same as they have for the past five years —$2,019—representing unclaimed dividends of the predecessor company, Beaver Consolidated Mines.

Investments had a market value of $649,365 as at December 31, 1932. The company's holdings of 602,000 shares of Kenty Gold Mines are included under "exploration" and not under investments, which comprise only listed securities.

In order to finance its activities in 1932 the company sold securities which netted a loss of $1,725.

The following tabulation shows income and surplus accounts for the past two years:

Income and Surplus Account
Years Ended Dec. 31

	1932 $	1931 $
Net income	18,134	22,690
Expenses	16,244	13,741
Cash income	1,890	8,949
Loss on securities sold	1,725	*4,069
Net profit	165	13,018
Add: Previous surplus	19,057	6,039
Balance forward	19,222	19,057

*Profit.

Dr. J. B. Tyrrell, president of the company, in his annual report refers to the incorporation of the Kenty Gold Mines to take over the 16 Kenty claims in Swayze Township, Ontario, in which the company was interested.

The company in association with the Brett-Trethewey Mines, Northland Prospectors, Ltd., and J. G. and J. L. Kenty, were vendors of the Kenty claims and the Kenty treasury receiving 1,500,000 treasury shares, which were pooled.

Work on the Kenty property to October, 1932, had uncovered sections of various veins which, if added together, would aggregate 7,000 ft. in length over an area two-thirds of a mile long and one-third of a mile wide. Work is now directed at sinking two shafts on the veins exposed.

The annual meeting of the company is called for March 21 in Toronto.

HOWEY REPORT REFLECTS YEAR OF ACHIEVEMENT

Increases Production — Lifts Loan Burden — Cuts Costs

NET PROFIT $142,529

Big Increase in Ore Reserves Prompts Mill Expansion to 1,300 Tons Daily

Annual report of Howey Gold Mines for the year ended December 31, 1932 discloses a marked strengthening in the company's position including liquid assets, production, operating costs, and ore reserves. Operating profits amounted to $455,412 as compared with $205,179 the previous year. After depreciation and pre-operating expenses written off amounting to $312,883, the net profit was $142,529 as compared with a deficit of $30,018 in the previous year.

The following is a comparative income and surplus statement for the past two years:

Income & Surplus Account
Years Ended Dec. 31

	1932 $	1931 $
Production	1,120,670	866,606
Exchange	†148,110	47,684
Discounts rec.	495	265
	1,269,275	914,555
Less: Develop.	98,485	47,384
Mining	328,700	301,175
Slash. & Haul.	......	10,276
Box holes	......	14,364
Crush. & convey. .	38,867	43,511
Milling expenses ..	228,870	176,359
Ship. & mktg.	12,633	9,914
Insurance	12,535	11,977
Admin. & gen. exp.	64,977	57,963
Int. paid (net)	13,796	36,453
Tax res.	15,000	......
Profit on oper.	455,412	205,179
Less: Deprec.	115,334	108,266
Prelim. devel. w/o .	197,549	126,931
Net profit	142,529	*30,018
Add: Previous deficit	179,871	149,853
Bal. forward	37,342	179,871

*Deficit.
† Apparent from govt. prod. figures.

Write-offs Heavy

The significant feature of the income and surplus account is the marked decrease in operating expenses per ton despite the greater expenditures on development and exploration.

The same liberal policy has been pursued regarding depreciation on plant and equipment and provision for writing off pre-operating expenses at 60 cents per ton. These write-offs were equivalent to $1.10 per ton of ore milled.

The following tabulation gives production figures and comparative costs per ton of ore milled:

Production Summary
Ont. Govt. Figures

Year	Tons Milled	Daily Aver.	Recov. per ton	Bullion Recov.
1930*	110,438	408	$4.17	$ 460,428
1931	211,552	588	4.10	866,606
1932	284,664	780	3.95	1,120,670

*Nine months.

Costs Per Ton of Ore Milled

	1932	1931
Devel. & explor.	$0.35	$0.22
Mining	1.15	1.54
Milling	.94	1.04
Taxes & mktg.	.10	.05
Gen. & adminis. exp. ...	.32	.50
Operating costs	$2.86	$3.35
Deprec. & write-offs	1.10	1.11
Total cost per ton milled	$3.96	$4.46

Decreased costs, now the lowest of any gold mining operations in Canada, can in part be attributed to the increased production. Costs in 1932 were approximately 15 per cent lower than in 1931 and with the increased mill capacity planned a further reduction of approximately 25 per cent is estimated.

Hand Sorting Effective

There was a slight reduction in the grade of ore treated and milled during 1932, which can be attributed to changed mining methods and increased production.

During 1932, 329,249 tons of ore were hoisted and sorted of which 284,664 tons, or an average of 780 tons daily were milled.

In his address to shareholders, R. T. Birks, president of the company, says directors have approved of a plant extension programme which will increase the capacity of the mill from 900 to approximately 1,300 tons daily.

In his report, F. D. Reid, manager of the company, states that during the past year the mine was developed to the 1,315 ft. level by a winze from the 1,000 ft. level. From this winze the 1,315 ft. haulage level was extended westward to the position of the present shaft and also to a point 373 ft. east of the winze. On the 1,175 ft. level a service drift was driven to the position of the main shaft and the shaft connected by raising from this level. This service drift was also extended to a point 97 ft. east of the winze for exploratory purposes. The limited work done below the 1,000 ft. level, as estimated from diamond drilling results, has disclosed approximately 500,000 tons of ore estimated to average $2.45 per ton in gold. Sorting on the surface will materially increase this grade. Drilling results at Howey generally are on the low side.

Development work during the year increased the broken ore reserves from 195,724 tons to 206,150 tons despite increased production. The reserve of unbroken ore above the 1,000 ft. level is estimated at approximately 500,000 tons and in addition there is a body of ore lying west of the shaft, above the 1,000 ft. level, that has not yet been explored sufficiently to permit including in the ore reserves and which unofficially has been estimated at close to 1,000,000 tons of relatively lower grade.

Liquid Position Good

The outstanding feature of the balance sheet as at December 31, 1932, is the absence of the loan from W. S. Cherry, vice-president of the company. In the previous year's balance sheet this loan, including accrued interest was shown at $428,490. During 1932 the carrying charges on this loan amounted to approximately five cents per ton. The company started 1933 with a clean slate, except for current accounts.

The following tabulation gives working capital for the past two years:

Working Capital

	1933 $	1932 $
Current assets	338,561	336,087
Current liabilities ...	125,659	550,713
Working capital	212,902	§214,626

§ Indicates excess of current liabilities over current assets.

The annual meeting of the company is called for March 17, in Toronto.

Brett Reports Large Interest In Kenty Mines

Annual report of Brett-Trethewey Mines for the year ended December 31, 1932, reflects the transition of the Kenty group of 16 claims, in which the company was interested to the newly formed Kenty Gold Mines, Ltd. In consideration for the company's interest in these claims it was issued 440,000, of the 1,500,000 Kenty treasury shares given for the property. The vendors of these claims, Brett-Trethewey Mines, Northern Canada Mining Corp., Northland Prospectors Ltd., and J. G. and J. L. Kenty, transferred the claims together with $100,000 to Kenty Gold Mines receiving in return 50 per cent of the authorized capitalization of $3,000,000, in $1 par value shares.

The development and operating account shows income in the form of interest on investments of $1,634 as compared with $1,536 the previous year. Total administration and general expenses were $3,836, of which $1,922 was losses on securities sold.

Current assets totalled $3,849 as against current liabilities of $581.

The annual meeting of the company is called for March 14, in Toronto.

Howe Sound Has Deficit Production at Low Ebb

Annual report of Howe Sound Co. for the fiscal year ended December 31, 1932, showed a deficit of $76,697 after depreciation charges amounting to $204,564 as compared with a net profit of $593,215 in the previous year. Dividend requirements in 1932 were?

The following is a comparative earnings statement for the past two years.

Consolidated Income & Surplus Account
Years Ended Dec. 31

	1932 $	1931 $
Oper. revenue	3,044,837	8,117,820
Less oper. exp.:		
Mining	662,208	1,761,802
Transport	74,737	192,131
Milling	215,465	666,583
Marketing	2,067,904	4,619,443
Adminis.	98,849	183,755
Net oper. earnings ...	*74,326	694,106
Add: Other income ..	247,531	475,857
Total net earn.	173,205	1,169,963
Less:		
Depreciation	204,564	482,305
Taxes	45,338	94,443
Net profit	*76,697	593,215
Less appropriations:		
Dividends	253,405	1,100,030
Surp. for year	*330,102	*506,815
Add: Prev. surp.† ...	13,142,210	13,849,831
Less:		
Adjust. on stk. acquired for treas.	28,128	206,304
Metal inv. w/d	252,623	......
Bonds w/d to mkt. .	184,234	......
Bal. forward	12,352,123	13,136,712

*Deficit. † After adjustments.

Earnings per Share & Dividend Record:

Earned (on net profit)	nil	$1.23
Paid	$0.55	2.25

No Copper Sold Since March

There was a loss on operations, but income from investments permitted an operating profit to be shown. Metal sales showed a decline of approximately 65 per cent below that of 1931. Despite the higher efficiency prevailing at the various plants, an operating loss resulted.

At the company's leading subsidiary in British Columbia, the Britannia Mining & Smelting Co., all copper sales were suspended in March last year because of the decline in prices and thereafter all mine operations were curtailed. At the end of the year production was on the basis of approximately ten per cent of capacity. Due to the duty of four cents per pound on copper going into United States, Britannia's copper production must find other markets. Lead and zinc produced from the company's subsidiary in Mexico, the El Potosi Mining Co., is curtailed to about 50 per cent of capacity after seven weeks' suspension of operation in 1932.

Dividends Reduced

The company's cash position reflects the continuance of dividends paid from accumulated surpluses built up in the previous year. During the year the rate was reduced from $1 per share annually to 40 cents per share, the present rate, payable ten cents quarterly.

The following is a comparison of current assets, current liabilities and working capital for the past two years:

Working Capital

	1932 $	1931 $
Current assets	5,041,562	6,007,596
Current liabilities ...	695,439	753,104
Working capital	4,346,123	5,254,492

The following tabulation shows metal sales in recent years:

Metal Sales

Years Ended Dec. 31	Copper lbs.	Lead lbs.	Zinc lbs.	Silver ozs.	Gold ozs.	Value $
1932	2,205,318	72,628,934	31,071,861	2,605,412	600	3,044,837
1931	28,618,042	97,961,758	74,396,915	3,648,279	5,476	8,117,820
*1930	45,266,927	90,430,797	59,120,464	3,606,977	12,770	13,210,459
1929	43,032,641	73,276,511	53,455,920	2,973,016	14,252	16,346,101
1928	42,201,548	77,399,285	59,378,637	3,338,527	15,366	15,338,314
1927	34,950,117	67,457,127	54,921,350	2,931,317	10,337	13,393,179
1926	33,117,388	56,834,228	48,102,661	2,428,968	10,472	13,797,373
1925	29,208,580	25,748,606	15,096,695	2,027,319	8,702	8,674,998

N. C. URQUHART & CO.
STOCK BROKERS
Members Standard Stock and Mining Exchange
15 King Street West Toronto, Ont.
Adel. 6028

EXAMINATION OF MOSS MINES CAUSES SHAKE-UP

President N. R. Fisher Resigns — Operating at Loss

Norman R. Fisher, president of Moss Gold Mines, announces in a letter to shareholders dated March 4, that circumstances will in the future prevent his giving as much time as he has in the past to the affairs of the company and that he has advised the board of directors that he wishes to be relieved of his duties as president and managing director. R. W. Howe, consulting mining engineer with Milton Hersey Co., has accepted an appointment as consulting engineer to the company, representing financial interests, and will assume active direction of operations.

In the January 28 issue of The Financial Post criticism was directed at Mr. Fisher's position as not being compatible with the market activity in Moss shares and his interest as vendor through Shield Development Co.

Report Made by R. W. Howe

The subsequent appointment of Mr. Howe to make a report on the company has culminated in a statement, which has just been forwarded to Moss shareholders.

In his conclusions and recommendations Mr. Howe commented as follows:

"The figures submitted show the cost of production to be greater than returns over the same period of time.

"It is recommended that the development work under ground be greatly increased and that the No. 2 shaft be sunk to a depth of 1,000 ft. A diamond drilling campaign and a certain amount of crosscutting seems advisable.

"The merit of the property and the possibilities of it developing into a larger mine justify the expenditure of the necessary capital to obtain sufficient power to carry out the essential development work. Provided that good second hand machinery can be purchased the cost should not be over $75,000."

As at December 31, 1931, the liquid assets of the company totalled $123,565 including $109,322 cash. Construction was completed in March, 1932, and initial production started. It, therefore, comes as a surprise to shareholders to learn that certain advances have already been made to the company and that additional loans are required to carry out the recommendations of the consulting engineer.

The following tabulation shows production for the last quarter of 1932 and toal for the year.

	4th quar. 1932	Total 1932
Tons milled	9,391	25,363
Recovery value, $	58,943	173,903
Recovery per ton, $ ...	6.27	6.85
Tons daily	106	95

NORTHERN CANADA MINING CORPORATION, LIMITED
Invests in Canadian Mines and Mining Properties
J. B. TYRRELL,
President and Managing Director,
Room 930, 25 King Street West,
TORONTO, CANADA

Base Metal Shares
Should they be purchased at present levels? Our opinion on request.
J. E. GRASETT & CO.
—Members—
Standard Stock & Mining Exchange
302 BAY ST. - - - TORONTO
WAverley 1633

An Industry that Benefits by Depression—
Gold Mining!
"Gold", our newly issued booklet, gives interesting facts regarding gold . . . its rise to economic importance, its use as a standard of value, the history of world production, and Canada's record, with special reference to Canadian mines. Copy on request.
JOHNSTON AND WARD
60 King St. West, Toronto
Royal Bank Building
MONTREAL
Members: Montreal Stock Exchange
Montreal Curb Market.

SURVEY • EXPLORATION • PHOTOGRAPHY • TRANSPORT

CANADIAN AIRWAYS LIMITED
COMBINED

Air and Surface Transport
Are you considering moving mining equipment and supplies in tonnage lots or in quantities that involve both air and surface transport? If so, let Canadian Airways Limited do it. Canadian Airways now offer the advantage of undivided responsibility for all shipments, irrespective of size, from rail-head to destination.
CANADIAN AIRWAYS
Limited
MONTREAL WINNIPEG VANCOUVER
Toronto Office—1430 Canadian Bank of Commerce Building
Edmonton Office—Richardson Building

Inactive and Extinct Mining Companies in Canada
The first book of its kind published in Canada covering approximately 2,750 mining companies all having been in existence during the past 35 years. 50c
THE FINANCIAL POST,
153 University Ave.,
Toronto.
Please send me postpaid a copy of Inactive and Extinct Mining Companies, .50 a copy.
Name ....
Address 298

Utility Companies Consolidate Services

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXVII Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, MARCH 11, 1933 10c a Copy; $5.00 a Year No. 10

Domestic Load Vital In Expanding Sales of Power Producers

Electric Appliances Prove Substantial Factor in Situation

DIVERSIFICATION

Small Industries in Volume Are Best Outlet for Output of Central Station

Sale of electric energy in large blocks to pulp and paper producers, mining operators, electro-chemical manufacturers and others accounts for the major share of the power distributed by central electric stations and at the same time provides the largest share of revenues.

With the decline in industrial operations over the past three years power producers have been directing their efforts along lines which in the past have not been so well exploited in order to provide a market for the power once absorbed by industry.

Increasing mining operations, especially in the gold areas, have been particularly helpful in increasing demand. But such increased consumption comes from isolated areas and does not directly benefit those companies which are more concerned with supplying energy to smaller industries, commercial institutions and the domestic user.

Seek New Outlets

Efforts toward building up the market for power have been directed along two lines—increasing domestic service use and, secondly, the establishment of new industries.

While it is true that the per capita domestic consumption of electricity in Canada is relatively high in comparison with that reported in other countries, it is the general opinion of operators that much can be done to bring about an increase in demand.

The building of new transmission lines and increasing the area served by the distribution system has brought energy to a larger number of potential domestic users of electricity. This in itself has been a potent factor in adding to the load factor, but in those areas already established, increasing demand for energy only comes through a more intensive cultivation of the existing market.

Electrical Appliances

For several years past, and more particularly of late, the utility companies have been active in merchandising electrical apparatus. Practically every major retailer of energy in the Dominion now maintains its own stores where the latest electrical appliances are sold on favorable terms. The distributors also co-operate closely with manufacturers and other dealers. Their primary consideration is securing a wider distribution of appliances in order to increase the consumption of energy. Their interest in selling appliances is secondary to increasing the consumption of energy.

In late years manufacturers have placed a wide variety of electrical appliances on the market. Stoves, refrigerators, toasters, irons, heaters, lighters, bridge lamps, electric bridge tables, soldering irons, talkie equipment for theatres, radios and a hundred and one other appliances have been put before the public.

Not Yet Saturated

Many of these have come to be considered household necessities. Yet despite the marked increase in the use of appliances, it is apparent from an examination of government returns that few areas in the Dominion have come anywhere near reaching the saturation point for any particular apparatus.

Thus there is a vast potential market to be cultivated for the sale of electrical appliances. While current conditions militate against the sale of certain articles, some of which might be placed in the luxury class, it is noted that the use of what might be termed "staple" appliances continues to increase.

Domestic Market Vital

Just how important the domestic market is to the distributor, and in turn the producer of power, can be judged by examining revenue returns of the central electric stations for 1931. In that year Canadian stations received a total income of $122,310,730, of which domestic service provided $35,259,391. It is not surprising to find that Ontario leads all other provinces in the sale of energy to domestic users. Through the provincially owned hydro-electric system special attention has been given to providing energy for domestic use. Low rates have been particularly inducive to the consumption of energy and it is worth while noting that whereas the annual per capita domestic consumption in Canada amounts to 1,170 kilowatt hours, Ontario has a per capita average of 1,500 kilowatt hours.

The importance of income from domestic service to total revenues received by the central electric stations is shown in the following table:

	Total $	Domestic $
P. E. I.	270,445	120,606
N. S.	3,954,158	1,151,609
N. B.	2,931,097	901,325
Que.	42,010,665	8,100,380
Ont.	46,542,982	15,448,069
Man.	6,778,905	2,679,138
Sask.	4,454,617	1,809,029
Alta.	4,674,857	1,721,292
B. C.	10,693,004	3,327,943
Total	122,310,730	35,259,391

Seek Smaller Industries

It is only of late that the power producers have paid much attention to establishing small industries within their territory. In the past

(Continued on page 18)

Revenue of Central Stations Maintained

Revenue received by central electric stations in Canada for 1931 (the latest year available) totalled $122,310,730 as compared with $126,038,145 in the previous year, according to the Bureau of Statistics. The income for 1931 was distributed as follows: commercial stations $72,103,930 and municipal stations $50,206,800.

Large power users provide the central electric stations with the largest percentage of their income. The sources of central station income in 1931, with comparative figures for 1930 in brackets, follow: domestic service $35,259,391 (34,114,680); commercial light $20,655,553 (20,618,891); small power $5,239,846 (4,875,661); large power $56,381,609 (61,842,340); and street lighting $4,774,331 (4,586,573).

It will be noted that both domestic service and commercial light recorded increases during the year, while all other forms of service reported decreases.

GAS SALES FOR HOMES MAINTAINED

Industrial Demand for Gas and Coke Shows Reduction

CLIMATE IS FACTOR

Investment in Canadian Gas and Coke Plants Was $95,872,858 in 1931

The use of natural and artificial gas in Canada both for domestic and industrial purposes has had an exceptionally rapid expansion in the past decade and the industry has shown itself well able to expand in spite of increasing competition from hydro-electric energy. The last two years have seen some decline in consumption and in revenue due to adverse conditions both climatic and economic. Chief decline is due to decrease in industrial demand. It is notable, however, that in both Toronto and Montreal the number of customers has increased during the past two years although total volume of sales has been somewhat lower. The gas industry in Canada also includes the production of coke.

In this industry, Consumers' Gas Co. of Toronto, Montreal Gas Co. and Montreal Coke and Mfg. Co., controlled by Montreal Light, Heat & Power and Hamilton By-Products Coke Ovens Ltd., controlled by Union Gas Co. of Canada and subsidiaries of British Columbia Power Corp. are the chief producers of artificial gas. Production of natural gas comes chiefly from Alberta and Ontario with Dominion Gas & Electric Co. the chief operator in the West and Union Gas Co. of Canada operating in the Ontario field.

At the end of 1931, there were 33 plants engaged in the manufacture of artificial gas employing a capital of $51,235,000. There were eight coke plants in operation with capital employed in gas and coking platns in 1931 totalling $95,872,858 an increase over previous years and of this total $54,857,000 was employed in Ontario. The production and sales of artificial gas in Canada from 1927 to 1931 are as follows:

***Production and Sales of Artificial Gas**

	Production M. cu. ft.	Sales Quantity M. cu. ft.	Income $
1931	30,542,961	17,111,432	13,010,733
1930	35,927,532	17,713,477	13,471,629
1929	38,925,086	17,649,371	13,316,684
1928	35,058,920	15,606,609	13,933,537
1927	32,856,169	14,658,495	15,653,591

*As reported by Dominion Bureau of Statistics.

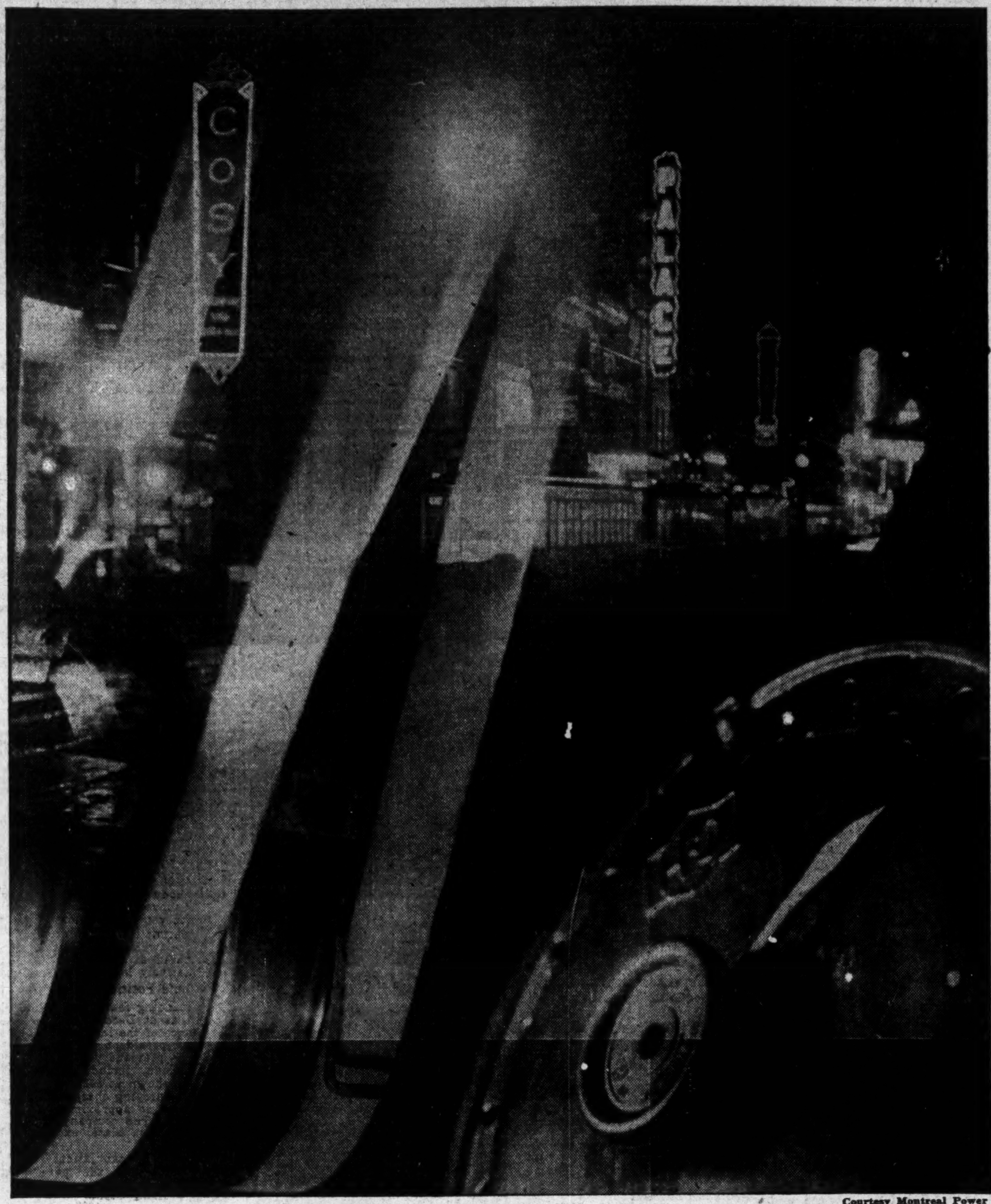
Coke Important

Consumption of coke in Canada in 1930 totalled 3,485,142 tons after providing for export and import figures and of this total it is calculated that 1,964,854 tons or 56 per cent was used for industrial purposes leaving some 46 per cent for domestic purposes. Chief industrial uses are for the charging of blast furnaces, for fuel in manufacturing and mining plants and as material in manufacturing, particularly the manufacture of calcium and carbon dioxide. General reduction in industrial activities therefore, naturally shows itself in reduced consumption of coke for industrial uses while a mild winter such as that experienced in 1931-1932 reduces the domestic requirements for coke as domestic fuel. This, in brief, explains reduced consumption of coke in Canada during the past two years. Given improvement in industrial activities, the volume of coke consumed is sure to increase.

Production of coke has become increasingly important although demand has been less in recent years. Ontario is the chief producer and consumer in the Dominion and production in Ontario, Quebec and the Maritime Provinces has not yet equalled the demand with the result that each year part of the needs of these consumers is met by imports from the United States. Production in the western provinces is

(Continued on page 18)

Power is the Energizer of Modern Civilization



Courtesy Montreal Power

Whether it be for lighting, heating or energy, modern civilization looks to electricity to meet its needs. In the home, on the farm, in stores, factories and industry, power has become essential. Its cleanliness, low cost and dependability have all contributed to the ever widening use of this potent asset. Electric energy has been a tremendous boon to mankind, and Canada with its vast resources of water powers is particularly fortunate in having adequate supplies of electricity. Directly and indirectly close on to $2,000,000,000 of capital has been invested in the water power industry.

POWER PROJECTS STARTED IN PAST NEAR COMPLETION

Most of Work Started Three Years Ago is Finished

CONSOLIDATION

Power Producers Concentrate on Distribution Facilities Rather Than on New Plants

Programme of water power construction that is now approaching completion had its origin some three or four years ago before world-wide economic disturbances brought about an almost universal arrest of industrial expansion.

To the end of 1929, according to the Dominion Water Power and Reclamation Bureau, production of electric energy in Canada kept pace with the increase in installed capacity. Since that time, however, depressed industrial conditions resulted in a falling off of the demand which reached its greatest intensity in mid-1931.

Water power development in Canada during the past year was confined to undertakings already in course of construction at the beginning of 1932. No new works of magnitude were initiated.

Water wheels or turbines actually installed and brought into operation last year resulted in net addition of 378,923 h.p. to the Dominion's total, bringing it to a figure of 7,045,260 h.p. Construction is also continuing upon several large undertakings which will increase the total in 1933 and subsequent years.

Beauharnois Bulks Large

The increase in installation recorded last year was accounted for chiefly by the Beauharnois development in Quebec, the Chats Falls plant on the Ontario-Quebec boundary, and the Corra Linn development on the Kootenay River in British Columbia.

While no new major developments are contemplated in the near future, numerous investigations are being conducted with a view to development at some future date when conditions are more propitious. Examination of these proposed enterprises would indicate that, while temporarily held up, further expansion of the water power industry will take place and that the present halt to new undertakings is of a temporary character.

Survey in B. C.

In British Columbia the City of Vancouver is continuing its investigations of the hydro-electric possibilities of Cheakamus River and tributaries for municipal supply. Particular attention will be paid this year to the possibilities of developing, under high head, the waters from Garibaldi Lake.

Among other investigations, the East Kootenay Power Co. is continuing field and office studies of the Phillips Canyon project on the Elk River. The City of Cranbrook is investigating the possibility of developing about 900 h.p. on the St. Mary River and Lytton Electric Light Co. has made application for water licenses to develop a small amount of power on Stryen Creek.

In Alberta the Calgary Power Co. is studying a scheme for the development of complete storage in both Upper and Lower Kananaskis Lakes, together with a power development between the two lakes and another below the lower lake. Necessary flow records are being obtained and surveys completed. The company proposes to proceed with this undertaking by stages as load demands require.

Ontario Calls Halt

No new investigations are in contemplation for Saskatchewan or Manitoba. Ontario appears to have come to the end of development work, at least for the time being, and further expansion of the industry will likely be along the lines of extending distribution systems to new areas.

In Quebec further work is being and will be done on the Beauharnois enterprise. In order to complete this undertaking approximately $16,000,000 more will be spent. This will bring the capacity of the plant up to 500,000 h.p., and will permit the company to meet obligations contracted with Montreal Light, Heat and Power Consold. and the Ontario Hydro-Electric Power Commission.

The MacLaren-Quebec Power Co.'s new 130,000 h.p. development on the Lievre River at Masson,, P.Q., has made good progress. The principal works, including the dam and the one-mile tunnel, have been completed as well as the power station where the installation of units is well advanced. It is expected that the plant will be in operation before the middle of this year.

Shawinigan Plans Mature

Shawinigan Water and Power Co. has made progress on its 240,000 h.p. Rapide Blanc development on the Upper St. Maurice River. The dam and power substructure and superstructure have been completed and it is expected to proceed with the installation of the units this spring. Additional work is required in connection with the undertaking such as the elevation of the track of the Canadian National Railways and the construction of a cut-off dam which is nearing completion.

No power developments are in contemplation for New Brunswick, but the New Brunswick Power Commission has completed negotiations for taking over the distribution

(Continued on page 18)

Private Motor Cars Hit Traction Lines Bad Blow in Decade

Competition Causes 22 Electric Lines to be Abandoned

MOTOR COACHES AID

Fill Blank Left by Failure of Small Lines — Absolute Necessity in Large Cities

The 52 electric railways reported by the Dominion Bureau of Statistics as operating in Canada at the end of 1931 have continued to conduct their business under growing difficulties. Although sales of motor cars and therefore registrations have not shown much increase in 1932, the continued intensive use of the cars already registered prevented street railways from getting anything like the revenue they once enjoyed. Motor bus competition is now more or less non-existent as the paying lines have in most cases been incorporated into the corporate structure of electric railways and used for less densely populated districts.

Although statistics of passengers carried in 1932 are still lacking it is expected that the decrease shown in 1931 is still continuing. The passenger traffic in 1930 was estimated at 792,701,493 and the total number of passengers carried in 1931 at 720,468,361. The decrease in 1930 was 4.9 per cent and in 1931 9.1 per cent. As in former years the Montreal Tramways carried almost one third of the Canadian traffic and the Toronto system a little more than one quarter of the total.

Twenty-two Railways Cease

In the last nine years 22 railways ceased operation. Of the 52 systems still reporting in 1931, 20 failed to earn even operating expenses, while 27 showed deficits after paying interest and taxes but before providing for reserves and dividends. Because the other 25 systems were more remunerative, the net income of all 52 systems amounted to $7,585,297 as against $10,111,782 in 1930. Of the 33 company systems seven railways declared dividends, the total being down from $3,402,261 to $2,979,670.

Gross revenues of all systems amounted to $49,088,310, a decrease of 10.3 per cent, whereas operating expenses of $35,367,068 showed a reduction of 9.6 per cent. Taxes of $2,392,428 were up $158,428 over 1930 and heavier than for any year since 1921. Interset charges were less, falling from $8,716,853 in 1930 to $8,641,360.

Employees Cut

Employees for all electric railways numbered 17,158 and they were paid $24,647,391 as compared with 18,340 employees getting $26,954,994 in 1930. Maintenance employees were cut 810 in number and $1,442,684 in pay, while a reduction of 299 conductors, motormen and operators of one-man cars and buses was reported, or 3.2 per cent. The pay of the latter was cut $836,973 or 6 per cent.

Total mileage operated dropped to 2,261 single track miles from 2,367 miles in 1930. Total capitalization was $216,778,096 divided into stocks of $45,455,649 and funded debt of $171,322,447. Funded debt showed little change but stocks were down more than $6,000,000.

The two largest street railway companies showed the largest percentage declines in carrying of passengers from 1930 to 1931, Montreal Tramways passenger traffic being down 18 per cent and Toronto Transportation Commission's 23 per cent.

Montreal Tramways Leads

Montreal Tramways Company with total obligations of $55,997,300, including $7,000,000 of stock,

(Continued on page 18)

Private Utilities Pay Heavy Taxes

Taxes paid by commercial hydraulic generating stations in Canada during 1931 amounted to $4,975,864, or an average of 0.4 mills per kilowatt hour produced, according to returns tabulated by the Dominion Bureau of Statistics. This would be about 25 per cent higher, or half a mill per kilowatt hour measured at the consumers' meters.

Taxes paid by municipal stations were relatively small, amounting to only $656,141, and consist mainly of taxes paid by the Ontario Hydro Electric Power Commission on commercial plant purchased in previous years.

The total of all taxes paid by commercial stations amounted to $5,369,583 which was 7.5 per cent of the revenue of such stations.

Utilities Confronted With New Problems of Major Character

Interest Charges Payable in U. S. Funds Are Burden

TAXATION HEAVIER

Limited Payment on Capital Stocks Likely Until Conditions Become More Stable

The past twelve months have brought the majority of utility companies to face with the problems that have been confronting business for more than three years. In the first year of the depression few operators were affected, but in 1931 annual statements began to show evidence that changed industrial and commercial conditions were having an adverse effect on operations.

During the last boom it was a common axiom that utility companies were depression proof. This fact was repeated so often that it was accepted as a truism. Time has shown, however, that such is not the case. While it is true that utilities do not suffer to the same degree as manufacturers, yet their operations have been curtailed in several directions.

Utilities provide the public with a product or service that under normal circumstances is regarded as essential. The depression of the three years has clearly proven that all utility services are not imperative, as witness the substantial decline in the number of telephones in use.

Telephone Service Drops

The communication companies have been harder hit than any other group of utilities. Withdrawal of telephones has been marked. Further, business houses fin a smaller need of long distance facilities. Yet in order to meet the abnormal conditions created in the boom period, plan facilities were greatly extended. Money was borrowed for such extensions, and the increased capital charges in combination with lower revenues have made it difficult for many telephone companies to maintain services and still pay a normal return to their shareholders.

Tram Systems' Problems

Tramway companies have met with a different combination of adverse factors. Heavy and growing charges under franchise agreements, growing use of automobiles, continued falling off in passenger traffic and in adequate fare schedules, have made this branch of public service an improfitable one for capital. Few tram systems in the Dominion are making any return on their capital. Those companies which are paying on their capital are finding it increasingly difficult to make both ends meet.

Power producers and distributors have held off the effects of the depression longer than any other branch of the utilities. But even they have not escaped, for the past twelve months have shown that the operators are faced with new and growing problems. In certain departments, notably domestic service and commercial lighting, an actual improvement has been recorded. In the field of large industrial operations, however, power companies have experienced a sharp diminishment in demand for energy. The surplus supply thus created has given the operators cause for worry.

Bulk Power Sales

Over one third of the power produced in Canada is absorbed by pulp and paper manufacturers. Conditions in that industry, more especially in the newsprint branch, have been going from bad to worse. Production has steadily fallen off and not only are the operators using less power but they are finding more and more difficulty in meeting their bills for power under firm contract.

The newsprint situation has been a troublesome one for some of the large power operators in Ontario, Quebec and elsewhere. As far as operations go matters have been materially helped by the introduction of electric steam boilers. Large blocks of power have been marketed in direct competition with coal. While the revenue received by the power company for power sold in this manner is small, nevertheless, it is revenue that would not otherwise have been received, while operations have been maintained on a relatively high basis.

Lower Stock Dividends

With the drop in power sales revenues have fallen off, though the average decline for the industry as a whole would be probably less than 10 per cent. In several instances, however, income has been limited to a degree necessitating that capital stock dividends have had to be reduced or eliminated. The reduction of dividends has not always been obligatory. Some managements have taken the stand that liquid resources should be husbanded until such time as there is a definite improvement in business and for that reason disbursements have been restricted even though earnings were sufficient to justify the continuation of payments.

U. S. Funds Costly

Aside from the drop in revenues, one of the biggest problems confronting all the utility companies is meeting the payment of fixed charges in American funds. The capital investment in the utility field approximates nearly $2,000,000,000, a large proportion of which was raised in the United States. Even where bonds were sold in Canada, the trust deed covering the mortgage usually provided that principal and interest would be paid

(Continued on page 16)

Power Industries Growth Stands Out

Investment in Canadian hydraulic plants increased between 1921 and 1931 from $38,383,760 to $1,046,527,413, according to data prepared by the Dominion Water Power and Hydrometric Bureau. Investment in non-generating stations, which are supplied almost entirely from hydraulic plants, increased from $74,286,832 to $137,696,862, while the total investment in the industry advanced from $484,669,451 to $1,229,988,951.

The number of hydraulic plants in operation during this period increased from 259 to 307; the number of customers from 973,212 to 1,632,817. Revenue increased from $58,271,622 to $122,310,730. Output increased from 5,614,132,000 to 16,330,867,000 kilowatt hours, or by 191 per cent. Output increased at a greater rate than investments, revenues, or customers, and the revenues increased per customer, but decreased per dollar of investment.

TELEPHONE TRAFFIC OFF WITH TRADE

Financing of Current Capital Outlays is Problem

STATIONS LESS

Dividends of Leading Phone Companies Reduced as Income Shows Reduction

Representing as it does the nerves of the business and residential community it is only natural that telephone traffic should have shown a decrease in the past two years. Number of telephones installed are quick to reflect economic conditions and for the first time on record the number in use in Canada in 1931 showed a decrease from the previous year. Income, expenditures, net income and number of employees of the industry all showed decreases but capitalization, investment, pole lineage, and wire mileage continued to grow.

At the close of 1931 there were 1,364,200 telephones in use in Canada or 38,661 fewer than in 1930. Majority of the larger systems reported station losses in the year just past. Nevertheless Canada is more telephonized than any other country in the world except the United States having 13.15 telephones per 100 population compared with 16.4 per 100 in 1930 in the United States.

Four Major Companies

In Canada there are 2,399 different telephone systems but from an investment angle this can be boiled down to four systems which comprise Bell Telephone Co. of Canada, operating in Quebec and Ontario; New Brunswick Telephone Co., Maritime Telegraph and Telephone Co., operating in Nova Scotia and Prince Edward Island and British Columbia Telephone Co. There is also a limited investment interest in Quebec Telephone and Power Co.

During the past year all these systems have sustained a decline in stations and revenue. Restricted business activity and dwindling incomes have curtailed exchange services and toll traffic while new installations have not been sufficient to offset phones taken out of service. Dividend disbursements have been reduced in all cases with the exception of Maritime Telegraph and the last annual report of that company indicated that payments would be cut.

Heavy Capital Outlays

One of the most serious factors faced by telephone companies is the necessity for heavy capital expenditures to anticipate business growth. Since a telephone company must precede, rather than follow, expansion of the communities it serves. The result has been that capital investment has been increased in recent years, sometimes through bond issues and sometimes through sale of stock, and sharp declines in revenue have struck at earnings on junior securities.

An indication of this is seen in the Bell Telephone Co. which, until a year ago, had maintained an unbroken dividend record at an 8 per cent rate for the past 40 years. Two reductions have been made in disbursements and payments are now made at the rate of 6 per cent. Earnings were equal to $6.17 a share in 1932.

Have Good Record

The four major telephone companies in which the public is chiefly interested from an investment angle have been able to maintain a noteworthy record and their shares have been held in repute by the investing public. Bell Telephone, Maritime Tel. & Tel., New Brunswick Telephone Co. all operate under the supervision of the Board of Public Utilities in the respective areas they serve and in the

(Continued on page 19)

MONTREAL POWER

Maintains and Strengthens Position Over Past Twelve Months — Issue Debentures — Acquires New Subsidiary — Offers Plan for Reorganization of Beauharnois

Montreal Light, Heat and Power Consold. continues to hold the position of Canada's largest privately-owned urban utility company. Its record of expansion and stability of operations places it in the lead as the premier utility in the country.

Operations are centred on the City of Montreal and surrounding municipalities. In a quiet way Montreal Power has steadily expanded by absorbing several small municipal systems until today it is in practical control of the utility services on the Island of Montreal.

Growth in 1932

Last year assets of the company increased over $15,000,000 to $172,701,000. Gross earnings were off only $627,710 to $24,783,066. Share earnings were equal to $1.96 as compared with dividend requirements of $1.50 a share. Net working capital was over $19,000,000 at the end of the year. Power sales were slightly lower, but the number of customers increased. A similar record was set up by the gas division, while the sale of coke was greater.

Issue New Debentures

The last twelve months has been a period of important developments for Montreal Power. In 1930 the company conducted a customer ownership campaign, resulting in the raising of over $25,000,000 of new capital. Due to market conditions the value of the company's stock dropped below the price at which it was offered to customers, namely, $50 a share. In order to protect customers, the company issued to them debentures, carrying the right of conversion into common stock at the offering price and redeemable within seven years. Consequent upon this action, the balance sheet for 1932 carried a new item—$23,227,150 of debentures.

Control Montreal Island

The balance sheet also reflected a deal whereby the bonds of the company were exchanged at parity for those of Montreal Island Power Co. Previously the company had a majority control of Montreal Island's common stock. Montreal Power contracted to purchase the entire power output of this new subsidiary and the exchange was considered as a good deal from the company's point of view in that it reduced interest charges.

Investments Are Larger

While a proportion of the new capital raised from the customer-ownership campaign and stock rights was used for new plant, much of it was invested by the company in government securities corporation bonds and stocks (mostly utility). While the company does not segregate in its balance sheet investment in directly controlled subsidiaries and outside ventures, it is believed that probably as high as $50,000,000 is invested in government and corporation securities. Most of these holdings were purchased after the middle of 1930, so that the decline in market values has not been as great as in the case of other company's investments bought prior to 1929. The company undoubtedly has sustained a loss in these investments, but it is pointed out in the auditor's certificate that sufficient reserves have been set up to amply cover depreciation in value.

Plan for Beauharnois

The latest venture of Montreal Power is a proposal for the reorganization of Beauharnois Power Corp. Montreal Power's interest in this enterprise is threefold. First it has contracted to purchase 200,000 h.p. from Beauharnois, deliveries being made over the next five years. Secondly, it already holds a substantial stake in Beauharnois' bonds and common stock. Thirdly, Beauharnois is an important unit in the Quebec utility field and control of it would provide Montreal Power with a source of energy great enough to take care of its needs for many years to come. Also it would be highly profitable for Montreal Power, had it control of Beauharnois, to scrap its Cedar Rapids and Canadian Light plants and divert the water into the Beauharnois canal. This would provide the company with a substantially larger production from the same volume of water owing to the higher head at the Beauharnois plant.

This proposal to reorganize Beauharnois is only in the initial stages. Many obstacles will have to be overcome before it is finally approved. If Montreal Power is successful in having its plan adopted, which gives the company practical control, the company will occupy an impregnable position in so far as the Montreal utility market is concerned.

Important Affiliations

Among Montreal Power's associated enterprises, mention might be made of United Securities, in which it has joint control with Shawinigan. This company controls Montreal Tramways Co. and Canadian Light and Power also has a half interest with the de Koppers in Montreal Coke and Manufacturing Co. This company operates a plant for the manufacture of gas, coke and various by-products.

Capitalization—	Authorized	Outstanding
Common	10,000,000 sh.	4,488,925 sh.

No par value.

Funded Debt—
1st refund. and coll. trust 5%, series "A," due 1951, outstanding $28,518,000; series "B," 5%, due 1970, outstanding $11,452,500.
Convert. debs. 3%, due 1939, $23,227,150.

Dividend Record—
Common—$1.50 per share per annum, payable quarterly on the last days of Jan., April, July and Oct.

Officers and Directors—
Officers—Sir H. S. Holt, chm.; J. S. Norris, pres.; G. H. Montgomery, vice-pres.; C. S. Bagg, vice-pres. and gen. mgr.; G. R. Whatley, sec.; C. C. Parkes, asst. sec.; P. C. Drake, treas.; A. N. Sainte-Marie, asst. treas.
Directors—J. E. Aldred, New York; G. Caverhill, S. Godin, Jr., Sir C. B. Gordon, Sir H. S. Holt, J. C. Smith, J. S. Norris, J. W. McConnell, G. H. Montgomery, T. B. Macaulay, Hon. J. M. Wilson, Hon. J. P. B. Casgrain, Montreal, P.Q.

Year End. Dec. 31:	1932	1931	1930
Earnings per Share and Dividend Record:			
Com.: Earned	$1.95	$2.17	$2.19
Paid	1.50	1.50	.60+1.13†

†Three quarterly payments on new split stock.

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Common ..	39½	20½	68½	38†	77	55¼

†New stock after two-for-one split.

CEDAR RAPIDS MANUFACTURING
(Controlled by Montreal, Light, Heat & Power Consolidated)

Capitalization—	Authorized	Outstanding
Common	$10,000,000	$8,900,000

Par $100.
Over 99 per cent of the stock is held by the Montreal Light, Heat & Power Consolidated.

Funded Debt—
First mortgage 5 per cent bonds, due 1953, outstanding $13,840,000.

Dividend Record—
Three per cent per annum payable quarterly, on the 15th of Feb., May, Aug. and Nov., on all unexchanged stock.

Officers and Directors—
Officers—Sir H. S. Holt, pres.; J. S. Norris, vice-pres. and man. dir.; C. S. Bagg, gen. mgr.; G. R. Whatley, sec.; C. C. Parkes, asst. sec.; P. C. Drake, treas.; A. N. Sainte-Marie, asst. treas.
Directors—J. E. Aldred, New York; J. S. Norris, Sir H. S. Holt; G. H. Montgomery, J. W. McConnell, Montreal.

QUEBEC-NEW ENGLAND HYDRO
(Wholly owned by Montreal Light & Power Consolidated)

Capitalization—
Authorized and issued, $350,000.
All owned by Montreal Light, Heat & Power Consolidated.

Funded Debt—
Montreal Public Service first and refunding 5 per cent bonds, due 1942, outstanding, $2,968,000.

Officers and Directors—
Officers—J. S. Norris, pres.; C. S. Bagg, vice-pres.; G. R. Whatley, sec. and treas..
Directors—J. S. Norris, C. S. Bagg, G. R. Whatley, G. H. Montgomery, H. B. Pope.

MONTREAL LIGHT, HEAT & POWER
(Controlled by Montreal, Light, Heat & Power Consolidated)

Capitalization—	Authorized	Outstanding
Common	$22,000,000	$18,800,000

Par $100.
Over 99 per cent of this stock was acquired by Montreal Light, Heat & Power Consolidated, in 1916, by an exchange of shares on the basis of three shares of Consolidated stock for one share of the stock of this company.

Funded Debt—
Lachine sinking fund 5 per cent bonds, due 1933, outstanding $3,089,000.

Dividend Record—
Eight per cent per annum payable quarterly on the 15th Feb., May, Aug. and Nov.

Directors and Officers—Same as Montreal Light, Heat & Power Consolidated, with the exception of J. W. McConnell and Hon. J. M. Wilson who are not on the board of this company.

PROVINCIAL LIGHT & HEAT
(Controlled by Montreal Light, Heat & Power Co.)

Capitalization—	Authorized	Outstanding
Common	$500,000	$500,000

Par $100.
Over 99 per cent held by Montreal Light, Heat & Power Co.

Funded Debt—
First mortgage 5 per cent bonds, due 1946, issued $1,500,000, of which $583,000 has been redeemed for sinking fund purposes, leaving $917,000 outstanding.

Officers and Directors — Sir H. S. Holt, pres.; J. S. Norris, vice-pres. and man. dir.; S. Bagg, gen. mgr.; G. R. Whatley, sec.; P. C. Drake, treas.; S. Godin, Jr., J. E. Aldred.

UTILITIES CONFRONTED WITH NEW PROBLEMS OF MAJOR CHARACTER

(Continued from page 17)

in United States funds at the option of the holder.

With the Canadian dollar selling at a heavy discount in New York, the burden caused by the buying of U. S. funds for fixed charges has been seriously felt by many operators. From a few thousand to as much as a million dollars have been added to fixed charges as a result of this situation.

The increased demands upon earnings to meet interest charges has reduced the amount of earnings available for distribution on capital stocks. Where dividends have been cut, payment of interest charges in U. S. funds has not infrequently been the motivating force.

Another problem confronting the utility operators is the increasing burden of taxation. In 1931 the Bureau of Statistics estimated that approximately 7 per cent of gross revenues of the power companies went to pay taxes. Since then taxes have been increased and taxing authorities are continually looking around for new means of securing additional revenues from the utility companies.

While the power utility companies are not complaining about paying their share of normal taxes, the situation, has been aggravated by the fact that the Dominion's largest retail distributor of power—the provincially-owned Ontario Hydro-Electric Power Commission—is tax exempt. This has always been a sore-point with the privately-operated companies, whose rates and other charges are compared with those of Ontario Hydro.

The utility companies are in sounder financial and operating condition than most other groups. They, nevertheless, will have many difficulties to surmount in the immediate future. The demand for power has about reached its ebb, but the increase in taxation and the uncertainty over the discount of the Canadian dollar in the United States, are two vexatious problems. There is reason for believing that the utilities will be able to take care of their funded debt charges, but the outlook for capital dividends is not so clear. Without an upward swing in earnings, it is possible that further restrictions will be made in dividend payments until such time as their business and financial affairs of the country are on a sounder basis.

GAS SALES FOR HOMES MAINTAINED

(Continued from page 17)

somewhat ahead of demand and the West is an exporter of coke. The volume of production and selling value of coke manufactured by Canadian manufacturers in Canada is as follows:

Production of Coke in Canada

	Quantity Short Tons	Selling val. $
1931	1,832,700	12,419,741
1930	2,385,994	15,852,247
1929	2,677,581	17,947,658
1928	2,314,127	14,535,711
1927	2,026,481	12,964,212

Natural gas is largely used in the Prairie Provinces with Alberta holding the greatest resources of natural gas in the Dominion. The gas fields of Southwestern Ontario have been in production for many years and continue to supply the requirements of the district. In 1931, the production of natural gas in Canada was 25,874,723 M. cu. ft. and had a value of $9,026,754. Of the total, Alberta supplied 17,798,698 M. cu. ft. which had a value of $4,067,893. Ontario's production was considerably lower at 7,419,534 M. cu. ft. but value was higher at $4,635,497. New Brunswick also has production of natural gas and in 1931 produced 655,891 M. cu. ft. with a value of $323,184. The Canadian production of natural gas in 1931 and 1930 is as follows:

Production of Natural Gas

	M. cu. ft.	Value
1931	25,874,723	9,026,754
1930	29,104,570	9,635,704

Distribution of Energy Widens

CENTRAL STATION CUSTOMERS NUMBER 1,632,817

	Domestic	Commercial	Small power	Large power	Street lighting	Total
P. E. I.	3,980	922	164	29	7	5,102
N. S.	45,252	8,687	1,657	103	86	55,785
N. B.	33,964	5,670	1,054	125	64	40,877
Que.	375,764	70,149	10,018	2,401	682	459,014
Ont.	579,721	89,777	2,606	15,279	523	687,906
Man.	71,324	16,055	2,638	2,262	80	92,359
Sask.	44,078	15,321	2,669	79	279	62,426
Alta.	56,890	15,907	3,603	370	174	76,944
B. C.	125,748	22,146	1,504	2,935	71	152,404
Total	1,336,721	244,634	25,913	23,583	1,966	1,632,817

DOMESTIC USERS OF ELECTRIC POWER

	Number of customers	Annual kw.h. consumption	Annual average kw.h. consumption
P. E. I.	3,980	1,343,000	340
N. S.	45,252	19,120,000	422
N. B.	33,964	17,676,000	520
Que.	375,764	223,671,000	606
Ont.	579,721	868,072,000	1,500
Man.	71,234	257,482,000	360
Sask.	44,078	35,523,000	805
Alta.	56,890	30,196,000	530
B. C.	125,748	110,621,000	870
Canada	1,336,721	1,563,704,000	1,170

COMMERCIAL USERS OF ELECTRIC POWER

	Number of customers	Annual kw.h. consumption	Annual average kw.h. consumption
P. E. I.	922	899,000	975
N. S.	8,687	12,921,000	1,490
N. B.	5,670	11,991,000	2,110
Que.	70,149	165,476,000	2,320
Ont.	89,777	378,406,000	4,200
Man.	16,055	76,023,000	4,750
Sask.	15,321	19,279,000	1,255
Alta.	15,907	22,864,000	1,430
B. C.	22,146	75,366,000	3,380
Canada	244,634	763,225,000	3,125

SMALL USERS OF POWER

	Number of customers	Annual kw.h. consumption	Annual average kw.h. consumption
P. E. I.	164	648,000	3,960
N. S.	1,657	15,664,000	9,450
N. B.	1,054	5,359,000	5,100
Que.	10,018	145,285,000	14,500
Ont.	2,606	......	......*
Man.	2,638	50,417,000	19,200
Sask.	2,669	18,235,000	6,850
Alta.	3,603	14,769,000	4,100
B. C.	1,504	5,317,000	3,520
Canada	25,913	255,694,000	9,850

*Not segregated. Large power customers for Ontario include both large and small customers of municipalities served by Ontario Hydro.

LARGE USERS OF POWER

	Number of customers	Annual kw.h. consumption	Annual average kw.h. consumption
P. E. I.	29	623,000	21,400
N. S.	103	258,940,000	252,000
N. B.	125	401,144,000	328,000
Que.	2,401	8,932,896,000	3,700,000
Ont.	15,279*	......	...
Man.	2,262	813,203,000	360,000
Sask.	79	80,473,000	1,000,000
Alta.	370	209,001,000	545,000
B. C.	2,935	1,584,465,000	540,000
Canada	23,583	12,280,745,000	542,500

*Not segregated. Large power customers for Ontario include both large and small customers of municipalities served by Ontario Hydro.

BEAUHARNOIS POWER

Montreal Power Proposes Plan of Reorganization Which Will Assure Completion of Undertaking — Approval to Scheme Given by Bondholders' Committee

Matters pertaining to the control and final financing of the Beauharnois Power Corp. are expected to be settled before midyear.

About the middle of last year a bondholders' protective Committee was formed to protect the interests of the collateral trust bondholders. Their primary aim was to bring the plant into production in time to fulfil obligations on the contracts entered into for the delivery of power with Montreal Light, Heat and Power Cons. and Ontario Hydro-Electric Power Commission. This was successfully accomplished.

By the end of last year, the Beauharnois Power Corp. had spent the proceeds of the original $30,000,000 bond issue. In addition, it had secured advances from the Dominion Government to the extent of $16,000,000, while the banks had advanced approximately $6,500,000. In order to complete the project, another $16,000,000 is needed and to that end the committee has examined numerous plans of reorganization, which would not only conform to government and banking requirements, but would also be satisfactory to the Beauharnois Power Corp. bondholders.

Montreal Power Proposal

A proposal submitted by Montreal Light, Heat and Power Corp., which already has a substantial stake in the enterprise, was submitted to and is understood to have been approved in principle by the Bondholders' Committee.

This plan provides that the holders of the present debentures will forego interest until 1937, when interest will accrue on the new general mortgage bonds at the rate of 5 per cent.

As compensation for foregoing bond interest, the debenture holders will receive $1,200 principal for each $1,000 principal of bonds now held. They will also receive as a bonus, five shares of the new common stock for each $1,000 bond, together with one-half share of the new common stock in exchange for the five shares of bonus stock issued with the original bonds.

The present debenture holders will also have the first option to purchase new first mortgage 5½ per cent bonds at a price of 95 in the ratio of $450 par value of the first mortgage bonds for each $1,000 par value of the present 6 per cent bonds held. With each block of $450 of first mortgage bonds, the purchaser will receive a bonus of eight shares of new common stock.

New Common Stock

In respect to the present outstanding comomn stock, the new plan provides that one new share for ten old shares will be issued.

The common stock outstanding in the new company will total 762,000 shares, which will be distributed as follows: Present common stockholders, 172,000 shares; present debenture holders, 150,000 shares; Montreal Light, Heat and Power, 200,000 shares as a bonus for underwriting the first mortgage bonds; and 240,000 shares to be given as a bonus with the first mortgage bonds underwritten by Montreal Power, and offered first to the present debenture holders.

New Mortgage Bonds

As for the present government advances and bank loans and the raising of sufficient funds to complete the project, it is proposed to issue approximately $39,332,000 of 5½ per cent first mortgage bonds. Approximately $24,332,000 will be given to the banks in return for advances made on their own behalf and on behalf of the government. The actual advances so made total $22,495,000, and with the new bonds will be taken up with the banks at a price of 92.45 so that there will have to be issued approximately $24,332,000 of bonds to cover these loans.

Power Underwrites Issue

The Province of Quebec also is being asked to aid in the re-establishment of this enterprise by accepting $1,500,000 of first mortgage bonds in lieu of license and royalty fees payable over the next five years. The balance of $13,500,000 is to be underwritten by Montreal Light, Heat and Power Cons., and offered, in the first instance, to the present debenture holders.

This plan is not in effect. It will have to be approved by the Dominion and Quebec Governments, as well as the banks and then submitted to the Beauharnois Power bondholders for approval. There is a possibility that other plans will be submitted for consideration, but details of such are lacking at the time of writing.

Capitalization—(As at March 31, 1932)—

	Authorized	Issued
Class "A" com.	1,799,995 sh.	1,799,995 sh.
Class "B" com.	*3,200,000 sh.	None
Managem't pref.	5 sh.	5 sh.

No par value.
*600,000 class "B" non-voting common shares are available for purchase under stock purchase warrants attached to the collateral trust bonds.

Funded Debt—
Collateral trust sinking fund bonds, 6 per cent, due 1959, outstanding $30,000,000.

Officers and Directors—
Officers — Hon. W. L. McDougald*, chm.; R. O. Sweezey*, pres.; A. F. White, vice-pres.; R. A. C. Henry*, vice-pres. and gen. mgr.
Directors — Hon. W. L. McDougald*, R. O. Sweezey*, A. Geoffrion, S. Godin, Jr., R. A. C. Henry*, G. H. Montgomery, Hon. P. J. Paradis, M. W. Wilson, Montreal; A. F. White, J. H. Gundy, Miller Lash, Toronto.
*Resigned.

Bondholders' Committee—
T. A. Russell, chm., Toronto; L. Moraud and J. H. Fortier, Quebec; G. M. Todd, G. W. Scott and N. J. Dawes, Montreal; R. H. Collis and M. S. Kilpatrick, London, Eng.; Gen. Hon. S. C. Mewburn, Hamilton; Mark Irish and E. G. Long, Toronto; J. Richardson, Winnipeg.

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Class "A" .	3½	⅜	8½	3	15½	7

AVON RIVER POWER

Company Continues to Expand System in Nova Scotia

Controlled by Nova Scotia Power

Expansion of Avon River Power Co. continued during 1932 through acquisition of small systems in the territory served. Operations of the company were on a relatively satisfactory scale; its transmission lines now serve the eastern section of the Annapolis Valley through a wide network of distribution systems absorbed over a period of years.

Since the voting stock of the company was acquired by Nova Scotia Light and Power Co. in 1930, no financial statement or figures on output have been issued. The system is hooked up with that of Nova Scotia Light and Power, though absorption of its assets by the parent organization was frowned upon when application was made to the Nova Scotia Board of Public Utilities two years ago.

Two Main Plants

The company's two main plants are located on the Avon River and the Gaspereaux River. The Avon River plant has a total capacity of 2,600 h.p. while a second power site two miles up the river is capable of being developed up to 3,000 h.p. The company holds power rights on the whole course of the river from headwaters, including nine lakes which have been dammed, for a period of 50 years, with renewal preference.

At the Gaspereaux plant, 1,100 h.p. is developed. A pulp mill, acquired with the Gaspereaux property, with a capacity of 12 tons of ground pulpwood per day, is owned and operated for the utilization of secondary power.

Investment interest in the company is largely confined to its first mortgage bonds.

Capitalization—	Authorized	Outstanding
Preferred, 6% ...	$250,000	$200,000
Par $100.		
Common	250,000	225,000
Par $100.		

Common all owned by Nova Scotia Light & Power Co.

Funded Debt—
1st mtge. sink. fund 5½ per cent bonds, series "A," due 1956, $650,000; series "B," due 1957, $193,400.

Dividend Record—
Preferred—None paid since 1926.

Officers and Directors—
Officers — J. C. MacKeen, vice-pres.; R. A. Jodrey, man. dir.; T. B. Akin, sec.-treas.
Directors — J. C. MacKeen, J. McG. Stewart, J. B. Hayes, W. H. Covert, Halifax, N.S.; R. A. Jodrey, T. B. Akin, Windsor, N.S.; G. A. Chase, Port Williams, N.S.

POWER PROJECTS STARTED IN PAST NEAR COMPLETION

(Continued from page 17)

systems of the towns of Chatham and Newcastle and proposes to erect 70 miles of 66,000 volt transmission line from the Grand Lake power station in a direct line to Nelson on the Miramichi, opposite Newcastle. A transmission station will be located at Nelson and the two towns will be connected to this station. The commission's plans include distribution lines radiating from Nelson to serve, when required and practicable, almost the whole of the settled portions of Northumberland county.

Survey New Line

Surveys are now in progress in Nova Scotia for a transmission line 32 miles in length from Hopewell to Truro to enable power from Sheet Harbor to be sold by the Pictou County Power Board to the Truro Electric Light Commission. It is expected this line will be complete by spring.

Further extensions under consideration, but not yet definitely decided upon, include a line from the Roseway plant near Shelburne to Lockeport, and a line from Liverpool to Port Mouton and White Point Beach.

While it is apparent from the foregoing that no new major power developments are in prospect, yet the industry is steadily widening its field of service. Major expenditures for some time to come are likely to be on distribution facilities rather than on productive facilities. When the time comes that the increase in demand reaches more normal proportions, further developments will be undertaken.

Canadians Like Telephones

Canadians held 2,565,641,000 conversations, or an average of 1,880 per telephone, during 1931. This is slightly greater than in the previous year when the average conversations per telephone numbered 1,872. In addition there were 33,198,169 long-distance calls in 1931 and 37,496,867 calls in 1930.

OTTAWA POWER

Company's Strong Status Maintained During Past Year

Ottawa Light, Heat and Power Co. maintained its position in 1932, though share earnings were not as large as in 1931 owing to the increased outlay necessary for the purchase of U. S. funds for interest payment.

During the current year it is anticipated that economies totalling $100,000 will be effected. Preliminary budget figures for 1933 placed gross income at $50,000 less than in 1932. With the savings planned, some of which have already been put in force, net operating income is expected to be $50,000 greater this year. This would be equal to $1.43 a share on the common stock and would enable the company to maintain the regular dividend of $6 a share without recourse to surplus.

The financial position of the company continues on a satisfactory plane. During the current year the company's subsidiary, Ottawa Electric, will have maturing $625,000 of first mortgage bonds. Arrangements have been made to redeem these bonds. Through the operation of the sinking fund there has been a steady reduction in the funded debt of Ottawa Power, while the debt of its other subsidiary, Ottawa Gas, remains unchanged.

Capitalization—	Authorized	Outstanding
Common 6%.....	$10,000,000	$3,500,000
Preferred 6½% .		$1,500,000

Par $100.

Funded Debt—
Refunding mortgage 5 per cent bonds, series "A," due 1957, outstanding $4,025,000.

Dividend Record—
Preferred—6½ per cent cumulative per annum, payable Jan. 2, April, July and Oct. 1. Initial payment of 1⅝ per cent paid Jan. 1, 1924, and regularly since.
Common—6 per cent per annum, payable last day of Dec., March, June and Sept. Paid regularly.

Officers and Directors—
Officers—Hon. T. Ahearn, pres.; F. E. Bronson, vice-pres.; D. R. Street, gen. mgr.; F. W. Fee, sec.-treas.
Directors—Hon. T. Ahearn, F. E. Bronson, W. L. Reid, T. Workman, G. F. Henderson, T. F. Ahearn, L. N. Poulin, Ottawa; W. C. Pitfield, I. W. Killam, P. R. Walters, H. McKay, Montreal; R. Quain, Ottawa.

Years End.: Dec. 31:	1931	1930	1929
Times Bond Interest Earned:			
Before deprec. and gen. int.	3.15	3.47	3.36
After deprec. and gen. int.	2.52	2.67	2.62
Earnings per Share and Dividend Record:			
Pref.: Earned ...	$21.95	$21.90	$21.42
Paid	6.50	6.50	6.50
Com.: Earned ...	6.62	6.60	6.39
Paid	6.00	6.00	6.00

Earnings per share on common for 1932, $5.50.

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Com. ..	100	87	110	90	101⅛	87
Pref. ..	100	89	105½	102	106	100

OTTAWA ELECTRIC
(Controlled by Ottawa Light, Heat & Power Co.)

Capitalization—	Authorized	Outstanding
Common	$3,000,000	$3,000,000

Par $100.
Entirely held by Ottawa Light, Heat and Power Co., with the exception of directors' qualifying shares, as part security for bonds of the parent company.

Funded Debt—
Refunding gold bonds, 5 per cent, due 1933, outstanding $625,000. General and refunding, 5 per cent, due 1957, (not in hands of public). Issued $3,182,500, all of which are deposited as security for Ottawa Light, Heat & Power Co. refunding bonds held by company.
The $625,000 unissued bonds are reserved to retire a like amount of refunding mortgage bonds due 1933.

Officers and Directors—
Officers—Hon. T. Ahearn, pres.; F. E. Bronson, vice-pres.; D. R. Street, gen. mgr.; F. W. Fee, sec.-treas.
Directors—Hon. T. Ahearn, L. Crannell, D. R. Street, T. F. Ahearn, M.P., E. N. Soper, F. E. Bronson, G. F. Henderson, all of Ottawa; W. C. Pitfield, Montreal.

OTTAWA GAS
(Controlled by Ottawa Light, Heat & Power Co.)

Capitalization—	Authorized	Outstanding
Common	$2,000,000	$2,000,000

Par $100.
All deposited as security for Ottawa Light, Heat and Power Co., Ltd., refunding bonds, except directors' qualifying shares.

Funded Debt—
Consolidated bonds, 5 per cent, due 1934, outstanding $150,000.
General and refunding bonds, 5 per cent, due 1957, (not in hands of public), issued $878,800.
All these bonds are deposited as security for Ottawa Light, Heat & Power Co., Ltd., refunding bonds held. The $150,000 unissued are reserved to retire a like amount of consolidated bonds due 1934.

Officers and Directors—
Officers—Hon. T. Ahearn, pres.; F. E. Bronson, vice-pres.; D. R. Street, gen.-mgr.; F. W. Fee, sec.-treas.
Directors—Hon. T. Ahearn, F. E. Bronson, G. F. Henderson, J. R. Allan, G. P. Murphy, D. R. Street, A. E. Provost, all of Ottawa.

Hydro Bond & Share

Hydro-Electric Bond and Share Corp. was formed in 1927 to conduct a business which would combine the features of an investment trust company and a public utility holding company. No details of the company's activities have been made available, nor has any financial statement been published. Interest on the outstanding bonds has been paid regularly.

Capitalization—	Authorized	Issued
Common	600,000 shs.	200,000 shs.

No par value.

Funded Debt—
First collateral trust bonds, 5 per cent series "A," due 1957, $3,250,000.
Income debentures, due 1967, $2,000,000.

Officers and Directors—
Officers—Sir H. S. Holt, pres.; J. S. Norris vice-pres.; S. Godin, Jr., man. dir.
Directors—Sir H. S. Holt, J. S. Norris, G. H. Montgomery, A. P. Holt and S. Godin, Jr., all of Montreal, Que.; J. H. Gundy, Toronto.

PRIVATE MOTOR CARS HIT TRACTION LINES BAD BLOW IN DECADE

(Continued from page 17)

has the highest capitalization and Toronto Transportation Commission is third with $34,671,293 of bonds, there being no stock of this municipally owned concern. Winnipeg System is second at $35,246,256, including $18,866,256 in stock and $16,380,000 in bonds.

Montreal Tramways Company carried 339,816,330 passengers and Toronto Transportation Commission 275,455,162 passengers. Winnipeg System carried 45,704,371.

Gross earnings of Montreal Tramways Company amounted to $14,365,518 and of Toronto Transportation Commission to $12,361,960.

Speeder buses in use increased from 321 to 327 during 1931, but special coaches declined from 295 to 209. Street cars operated totalled 4,021 in 1931 and buses and coaches 536.

It has been pretty well the experience all over the continent during the last decade that street railway systems have found it increasingly difficult to earn a fair profit on their investments, while many companies have not earned fixed charges. Seven and one-half per cent of the companies in the United States are reported to be in receivership. Those who fail to earn their fixed charges are certainly numerous in communities of from 50,000 to 100,000 population. In cities of over 100,000 population street car systems are regarded as indispensable. Motor cars and bus systems, it is stated, could not alone handle the traffic as efficiently.

DOMESTIC LOAD VITAL IN EXPANDING SALES OF POWER PRODUCERS

(Continued from page 17)

only the large industries attracted attention. While the large power user is welcomed by the producer, yet developments of the past few years have indicated that many small users are preferable to one or two large customers. Too much depends upon the continuation of operations by the big consumers. A more stabilized load is to be depended upon when the users represent a diversity of industries. In this way the risk of shut-down of industrial operations is minimized and the power operators' market strengthened.

For that reason the major power producers have of recent years been directing their attention to securing more small users of power and the greater the diversity of activity the better. Conditions have been rather favorable in the last two or three years for the establishment of relatively small factories for export trade. These plants have a load factor varying from 50 to 500 horsepower of energy. Individually, they are unimportant to a producer with a capacity running into several hundreds of thousands of horsepower, but collectively they are of considerable importance.

Lighting Business Grows

Another market for energy which has not been fully developed to date is seen in commercial lighting. The use of neon signs for illuminated advertising signs and, in some instances, for store window lighting, as well as the ordinary electric light sign, has slowly but steadily grown.

Modern merchandising methods call for the use of more and better lighting. The power companies have not been slow to take advantage of this situation and the results are seen in the growing revenue received from commercial lighting. In 1931 the central electric stations received $20,655,553 from this source. This was distributed by provinces as follows: Prince Edward Island, $74,795; Nova Scotia, $749,296; New Brunswick, $480,725; Quebec, $5,545,055; Ontario, $7,644,978; Manitoba, $1,437,935; Alberta, $1,174,132; Saskatchewan, $1,229,175; and British Columbia, $2,319,462.

Fewer 'Phones in Use

For the second time on record the number of telephones in use in Canada showed a decrease. During 1931, 38,661 fewer telephones were in use and it is expected that complete returns will show a net loss of nearly 100,000 for 1932.

Calgary Power Company
LIMITED

SERVING one hundred and fifty-eight communities in Alberta, from hydro-electric plants on the Bow River. Modern transmission and distribution systems. Dependable service.

Alberta in 1932 produced 38% of Canada's wheat crop, 87% of its petroleum output, 69% of the natural gas and 41% of the coal production of the Dominion.

Insurance Exchange Bldg. - CALGARY
Commercial Building - EDMONTON
ALBERTA, CANADA.

Gas
NATURAL and MANUFACTURED

developing resources—serving the homes and industries of SOUTHWESTERN ONTARIO

The Union Gas Co. of Canada and its subsidiaries serve one of the most potentially prosperous sections of Canada — Southwestern Ontario, including the important industrial and commercial cities of Hamilton, London, the Border Cities, Chatham and Sarnia.

The development of the natural gas resources of Ontario, the production of manufactured gas, the manufacture of high-quality By-Product Coke and other by-products of coal, benzol, tar and ammonia sulphate provide employment for over 700 skilled workers. The consequent contribution to the welfare of Southwestern Ontario is of considerable importance.

Union Gas Co. of Canada, Limited
also controls Windsor Gas Co. Limited,
and the City Gas Co. of London,
Ontario.

United Fuel Investments, Limited
comprises United Gas and Fuel Co. of
Hamilton Limited, Hamilton By-Product
Coke Co. Limited, and United Suburban
Gas Co. Limited.

HAMILTON By-Product COKE
Trade Name Registered

With every forward stride in business development in this section of Ontario, these companies will proceed to still greater service.

UNION GAS COMPANY of CANADA, LIMITED
Chatham, Ont.
controlling
UNITED FUEL INVESTMENTS, LIMITED
Hamilton, Ont.

SHAWINIGAN POWER

Directors Reduce Dividend — Sale of Power Holds Up Well — Market Situation Outlined — Position is Reviewed

Conditions surrounding the position of Shawinigan Water and Power Co. have been the subject of considerable speculation over the past twelve months. Reduction of dividends and the company's close connection with the newsprint industry gave rise to a number of stories which in the main had the effect of lowering the market value of the company's securities. Publication of the 1932 report did much to dispel the many rumors and permitted a more accurate summing up of the company's position.

Through the installation of several electric boilers in newsprint plants, the company was able to keep its production and sale of energy at a relatively high point. This power was sold at a low price, a factor which found reflection in the company's income account. Revenues for the last year were down, but owing to the smaller dividend paid, it was possible to carry forward a substantial surplus.

Sources of Revenue

In years past Shawinigan has always been regarded as being too much dependent upon the newprint companies for its revenues. While it is true that the newsprint companies were the greatest factor in the expansion of this company, which now has developed or under contract nearly 900,000 h.p. of electrical energy, it is also true that in recent years the company has been diversifying its markets for power.

This is more apparent by an examination of the sources of gross income for 1932 which follow:

	Percentage
Chemicals	8.5
Paper Industry	43.4
Asbestos Industry	5.7
Montreal Power	18.2
Retail	20.0
Miscellaneous	4.2

Chemical Division Surveyed

Individual analysis of these sources of income will provide a clear picture of the present position of the company. Shawinigan Water and Power owns all the bonds and shares of Shawinigan Chemicals. Due to general industrial conditions the chemical company has been operating at reduced capacity. Approximately 20,000 h.p. or more is marketed with the chemical concern.

During the past year, after deducting manufacturing costs, administration and other expenses, the chemical company reported a surplus, before bond interest, amounting to $651,060, on which $345,044 was applicable to depreciation. Shawinigan received revenues from this subsidiary through the sale of power which was paid for in cash; but no interest has been received on the subsidiary's bonds nor included in the parent company's accounts.

The financial position of the chemical company is satisfactory, net working capital amounting to $1,000,000. This company's business during the past few years has been gradually broadening and whereas five years ago the chemical business was largely confined to large consumers, since then the number of customers and their diversified requirements have increased to a substantial extent.

Relations With Newsprint

Income from the pulp and paper industry is received from two divisions, one from primary contracts and the other from secondary power. Under the original primary contracts with the paper companies all of the power contracted for must be paid for as such and none of this power was to be diverted to secondary use for production of steam. Owing to changed conditions in the paper industry, the company has allowed the manufacturers to use part of the primary power for producing steam. This has proved distinctly helpful to the paper companies.

Asbestos Market Surveyed

Like the paper industry, the asbestos industry has suffered to a considerable extent, not only through the depression but from general overproduction and competition. In general the asbestos companies south of the St. Lawrence river and served by Shawinigan have continued to fulfill their contracts for power.

Retail Sales Growing

Retail sales of the company are conducted through various subsidiaries such as Beauharnois Electric and others. The distribution system has been gradually extended and the sale of power through this medium is steadily growing in importance.

Miscellaneous income covers Shawinigan's revenue from various investments, chief of which is United Securities Corp., controlling Montreal Tramways and Canadian Light and Power. The company is also directly and indirectly interested in a number of other utility enterprises, such as a controlling interest in Quebec Power Corp.

Reasons for Action

In viewing the immediate outlook for the company, the uncertainty of the newsprint and asbestos industries stands out. The company is also faced with the necessity of finding a market for the output of the new Rapide Blanc development on the Upper St. Maurice River which is scheduled to come into production at the end of the year. It might be mentioned here that one reason for the reduction of dividends was to provide the company with sufficient resources from surplus earnings to take care of the balance of capital outlay on the Rapide Blanc plant and also to carry this development until such time as its earning power is sufficiently developed to carry the project.

Capitalization—	Authorized	Outstanding
Com., $2.50	2,600,000 sh.	2,178,250 sh.

No par value.

Funded Debt—

1st mtge. and collateral trust bonds outstanding.

Series "A," 4½%, due 1967 ..	$34,435,000
Series "B," 4½%, due 1968	15,917,000
Series "C," 5%, due 1970	14,980,000
Series "D," 4½%, due 1970	19,003,000
Series "E," 5%, due 1972	*17,712,000
Secured notes, 6%, due 1937 .	4,053,500

*$8,000,000 issued as security for the 5-year 6 per cent secured notes; balance held by trustee for purposes of the company.

Dividend Record—

Common—Present rate 50 cents per share per annum, payable quarterly Feb., May, Aug. and Nov. 15. Initial quarterly dividend at present rate paid Nov. 15, 1932, and regularly since.

Officers — J. E. Aldred, pres.; J. C. Smith, vice-pres. and man. dir.; H. Murray, vice-pres.; W. S. Hart, vice-pres. and treas.; J. Wilson, sec.; P. S. Gregory, asst. gen. mgr.; H. G. Budden, asst. treas.; J. S. Riddle, asst. sec.

Directors—J. E. Aldred, H. Murray, Sir H. S. Holt, J. C. Smith, W. S. Hart, Beaudry Leman, G. W. MacDougall, G. H. Duggan, J. Wilson, Lt.-Col. H. Molson, Montreal; A. E. Dyment, Toronto; Col. G. P. Murphy, Ottawa, Ont.; J. A. Walls, New York; J. H. Fortier, Quebec, P.Q.

Times Fixed Charges Earned:	1932	1931	1930
Before deprec. ...	1.82	2.22	2.90
After deprec.	1.63	2.06	2.67
Earn. per Share and Div. Record:			
Common: Earned	$1.16	$1.91	$2.65
Paid	0.75	2.25	2.50

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Common	33	7¼	59½	32½	82⅛	47

Beauharnois Electric Co.
(Wholly-owned by the Shawinigan Water & Power Co.)

Capitalization—	Authorized	Issued
Common	$2,000,000	$1,225,000

Entire capital stock owned by the Shawinigan Water & Power Co.

Funded Debt—

1st refunding bold bonds, 6 per cent, due 1958, series "A," outstanding $1,450,000.

Officers and Directors—

Officers—R. J. Beaumont, pres.; J. Wilson, vice-pres.; H. G. Budden, treas.; W. A. Stitt, sec.; N. P. Woods, asst. treas.

Directors—W. S. Hart, J. Wilson, J. B. Challies, R. J. Beaumont, P. S. Gregory.

Shawinigan Falls Terminal Rly Co.
(Wholly-owned by the Shawinigan Water & Power Co.)

Capitalization—	Authorized	Outstanding
Common	$300,000	$300,000

Par $100.

Entire stock issue is owned by the Shawinigan Water & Power Co.

Funded Debt—

First mtge. bonds, 5 per cent, due 1957, outstanding $109,607. The Shawinigan Water & Power Co. owns all the bonds.

Officers and Directors—

Officers—J. C. Smith, pres.; W. S. Hart, vice-pres.; W. A. Stitt, sec.; J. Wilson, treas.; Montreal, Que.; B. G. Wood, gen. supt., Shawinigan Falls, Que.

Directors—J. C. Smith, W. S. Hart, H. Murray, J. Wilson, J. Morse, H. G. Budden, Montreal, Que.

Can. Niagara Power

Canadian Niagara Power Co. is the only privately owned company operating on the Canadian side of Niagara Falls, from which it has the right to divert sufficient water to develop 100,000 h.p. Output is sold to the Hydro-Electric Power Commission of Ontario and in the municipalities of Bridgeburg, Fort Erie, Crystal Beach and Ridgeway.

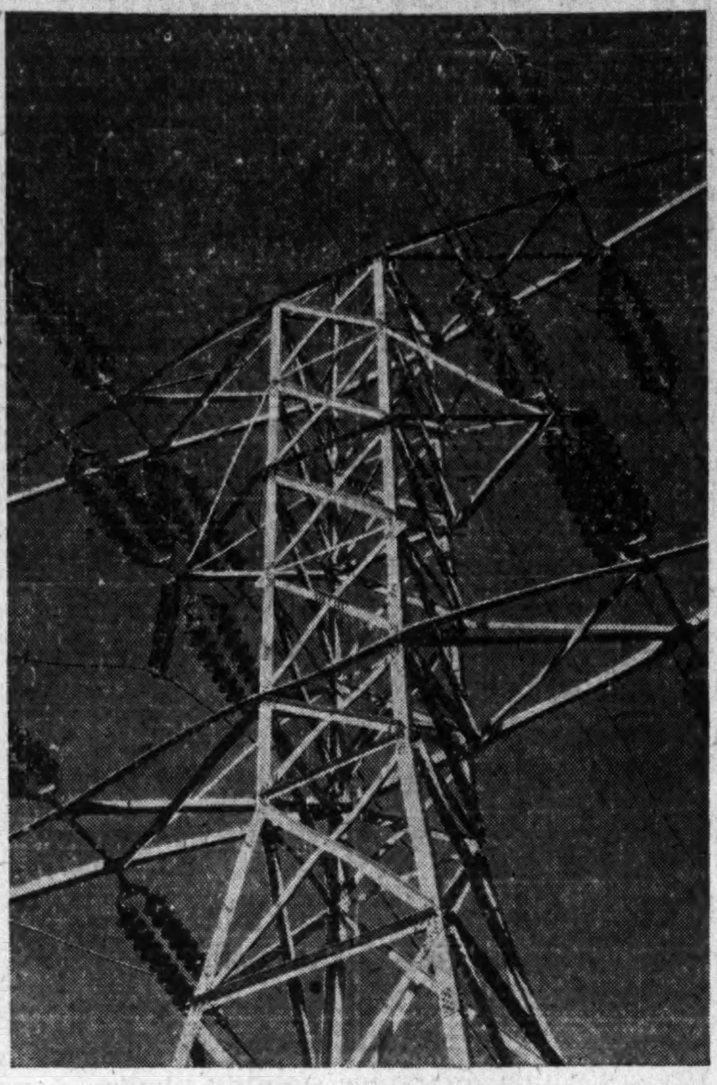
The company is wholly-owned by Niagara Falls Power Co., which, in turn, is controlled by Niagara & Erie Power Corp.

Capitalization—	Authorized	Outstanding
Common	300,000 shs.	300,000 shs.

Spend $1,892,000 on Fuel

Central stations producing electricity by fuel spent $1,892,252 on fuel during 1931. This was divided between commercial and municipal stations as follows: commercial, $905,627 and municipal stations, $986,625.

Link Between Producer and Consumer



Courtesy of Montreal Power

Though not so impressive as the huge power plants which are to be found in all provinces, the transmission lines are a vital link in bringing power to urban and industrial areas. In the transmitting and distribution of electric energy, Canada has been to the forefront among the water power nations of the world. The above illustration shows one of the more modern transmission towers. These towers are often more than 300 feet in height and are built to carry tremendous loads.

UNITED SECURITIES

Important Operating Units Controlled by Company

Jointly Controlled by Montreal Power and Shawinigan

Through control of Montreal Tramways Co. and Canadian Light and Power Co., United Securities Co. ranks as one of the principal holding organizations in the utility field. At the same time control of United Securities is vested with Shawinigan Water and Power Co. and Montreal Light, Heat and Power Consold.

United Securities' principal source of revenue is from its holdings of stock in Montreal Tramways, which until of late had been paying a dividend of $10 a share. This rate has now been cut to $9 a share, a fact which is likely to have some bearing upon future dividend policies of United Securities.

Though a relatively small unit in the Quebec power field, Canadian Light and Power has been paying dividends over the past two years. The distribution is not especially large but is a welcome addition to United Securities' income.

Tram Revenue Important

In viewing the outlook for this company, consideration should be given to the restriction of tramway operations conducted by Montreal Tramways. Earnings last year, as shown in the Montreal Tramways Commission, were off appreciably. While the usual allowances were made to Montreal Tramways Co., a deficit of over $750,000 was recorded after all charges.

Capitalization—	Authorized	Outstanding
Common	$14,000,000	$5,126,173

Par $100.

Funded Debt—

Collateral trust gold bonds, series "A" 5½ per cent, due 1952, $3,428,000.

5½ per cent, series "B," due 1952, $1,537,000.

Dividend Record—

Common—$2 per annum, payable quarterly, Jan., Apr., July and Oct. 15. Initial dividend of $2 paid Apr. 10, 1931.

Officers and Directors—

Officers—J. C. Smith, pres.; J. S. Norris, vice-pres.; J. Wilson, sec.-treas.; H. G. Budden, asst. treas.

Directors—J. C. Smith, J. S. Norris, H. B. Murray, G. H. Montgomery, G. W. MacDougall, C. S. Bagg, S. Godin, Jr., W. S. Hart, Montreal.

Years End. Mar. 31:	1932	1931	1930
Times Bond Int.* Earn.	1.64	1.77	1.62

*And U. S. exchange in 1931.

Earnings per Share and Dividend Record:	1932	1931	1930
Preferred: Earned ..	...	....	§
Paid	...	....	$6.00
Common: Earned .	$3.76	$4.21	3.38
Paid	2.00	2.00	....

§Exact figures not determinable, as preferred dividends not shown separately.

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Common ..	24⅝	18	62½	40	66¼	34

TELEPHONE TRAFFIC OFF WITH TRADE

(Continued from page 17)

past have been allowed to charge rates which will enable them to earn a return of 8 per cent on the capital invested.

Retrenchment has featured operations of leading phone companies in the past two years. Capital outlays have been restricted to necessities, expenses have been reduced. Nevertheless there is certain equipment which must be extended and financing of these expenditures constitutes one of the major problems of large phone companies today.

In a year which has been marked by retrogression, two important features stand out in the Canadian telephone world. One was the formal opening the trans-Canada telephone system, linking Atlantic and Pacific and intermediate points by lines wholly within Canadian territory; the other was introduction of a direct telephone service between Montreal and London, England. In former years coast to coast calls had been routed, in part, through the United States while trans-Atlantic services were routed through a radio circuit operated by American Telegraph and Telephone Co. Now Canadian companies carry all trans-Canada toll traffic while the new Anglo-Canadian circuit via Bell Telephone and Canadian Marconi gives an all red route to trans-Atlantic communications by telephone.

Telephone Investment Big

Total investment in Canada's telephone industry amounts to $333,055,119, or approximately $32 per capita. The investment has more than doubled during the past ten years and has increased by $105,899,219 since 1926.

QUEBEC POWER

Room for Improvement in Relations With Public

Controlled by Shawinigan

Public relations of Quebec Power Co., controlled by Shawinigan Water and Power Co., have not undergone any marked improvement over the last twelve months. It will be remembered that in 1931 there was an agitation for the municipalization of electric services. The city attempted to secure authority from the Provincial Government to carry out this plan but the move was not looked upon with favor. While the agitation is not so pronounced at present, nevertheless it is a factor to consider in examining the position of Quebec Power Co.

During the past year, electric power generated and purchased by Quebec Power totalled 127,788,000 kw.h. This compares with 148,079,000 kw.h. in 1931, with a record of 164,878,000 kw.h. in 1929. Though the production of electricity has declined, the number of customers served by the company has increased, numbering 45,267 at the end of 1932. At the end of the previous year electric customers totalled 44,361.

Gas and coke divisions of Quebec Power Co. have maintained their position satisfactorily, though the sale of gas to large industrial consumers has declined somewhat.

Loss on Railways

The street railway division has suffered very severely by the decrease of traffic. During 1932 there was a decline of 7 per cent in the number of passengers carried in comparison with that during 1931. The electrical railroad, known as the Montmorency division, has also suffered setbacks. Both of these divisions have been operated at a loss, while the Quebec Railway Light and Power Co., (Quebec Power's subsidiary) is not paying interest on its bonds.

With the decline in sales of electricity, gas and coke, and no revenue from railway operations, income of the company has declined, though not as greatly as might be expected by an examination of the operating figures. During 1932 the company had available for dividend, net profits of $1,003,960, or roughly $238,000 less than in the previous year. The directors found it necessary, however, to bring the dividend in line with current earnings. In January, 1932, the dividend was reduced from an annual basis of $2.50 to $2 a share. In May, the quarterly rate was reduced from 50 cents to 38 cents a share. In February this year the rate was again reduced, this time to 25 cents a share, at which point it now remains.

Capitalization—	Authorized	Outstanding
Common	600,000 sh.	553,198 sh.

No par value.

Over 57 per cent of the outstanding common stock is owned by Shawinigan Water & Power Co.

Funded Debt—

First mtge. series "A" 5% bonds, due 1968	$7,987,500
Deb. stock "A," 5% due 1968	3,748,133

Dividend Record—

Common—$1 per annum, payable quarterly, Feb., May, Aug. and Nov. 15.

Rate was reduced from $2.50 per annum with payment of 50 cents per share Jan., 1932; from $2 per annum with payment of 38 cents per share May, 1932; from $1.50 per annum with payment of 25 cents per share Feb., 1933.

Officers and Directors—

Officers—J. C. Smith, pres.; H. Murray, vice-pres.; W. S. Hart, treas.; J. Wilson, sec.; J. E. Tanguay, gen. mgr.; W. J. Lynch, asst. gen. mgr.

Directors—Hon. L. C. Webster, J. C. Smith, H. Murray, W. S. Hart, C. H. Branchaud, Dr. M. L. Hersey, J. Wilson, Hon. J. P. B. Casgrain, Montreal, Que.; J. T. Ross, C. E. Taschereau, J. H. Fortier, Hon. P. J. Paradis, Hon. G. Parent, Hon. D. O. L'Espérance, A. C. Picard, Col. J. H. Price, and J. S. Royer, Quebec City.

Times Bond Interest Earned:	1932	1931	1930
Before depreciation ..	3,05	3.27	3.97
After depreciation ...	2.64	3.02	3.72
Earnings per Share and Dividend Record:			
Common: Earned ..	$1.81	$2.24	$2.95
Paid	1.38	2.37½	2.50
Market Record—			
Common:	1932	1931	1930
High	29	49	70½
Low	9½	27	40

QUEBEC RAILWAY, LIGHT & POWER

Capitalization—	Outstanding
Preferred	$ 750,000
Common	2,500,000

All owned by the Quebec Power Co.

Funded Debt—

6 per cent, 1st mortgage bonds "A," due 1970; outstanding $2,000,000. All owned by Quebec Power Co.

6 per cent series "B," due 1972, $1,000,000. All owned by Quebec Power Co.

Officers and Directors—

Officers—J. C. Smith, pres.; W. S. Hart, vice-pres.; H. G. Budden, sec.; J. Wilson, treas.

Directors—J. C. Smith, H. Murray, J. E. Tanguay, W. S. Hart, J. Wilson.

NOVA SCOTIA POWER

Preliminary Figures Indicate Relative Stability in Earnings for 1932 — Tramways Records Heaviest Decline in Revenue

Although Nova Scotia Light and Power has not made public its financial statement for 1932, information covering the first eight months of last year indicated that earnings compared favorably with those of the same period in the previous year. Preliminary figures showed a slight decline in gross offset substantially by a decrease in operating expenses. Conditions in the territory served have probably been better than those experienced in other urban areas, and the decline in activity has been less pronounced than elsewhere.

Of its three main operating divisions, power and gas departments' earnings have held up well to those of the previous year; the tramways division has declined more seriously, a condition common to most systems on the continent.

Nova Scotia Light and Power is the largest privately owned utility operating in Nova Scotia and its operations centring in Halifax and district are extended over a wide portion of the province through the medium of a subsidiary, Avon River Power Co. Efforts made in the past two years to merge the two organizations have been blocked by the Public Utilities Commission, and the two companies have remained as separate entities.

Supplies Halifax Utilities

Nova Scotia Power serves Halifax and environs with light, power and gas and also operates the tramways system in Halifax. Power is supplied from the company's own steam plant, while a hook-up of its subsidiary, Avon River Power, has enabled it to draw needed power from that source. In addition, purchases are made from Nova Scotia Power Commission.

The company's record in recent years has been satisfactory and has reflected steady industrial growth of the territory served. Profits in 1931 fell slightly short of common dividend requirements, but regular payments of $4 a share have been maintained.

An interesting feature of developments this year was an attempt of Halifax Power and Pulp Co. to sell surplus power in the city at cut rates. The company claimed that it could offer citizens 12,000,000 kw.h. on favorable terms and an offer to sell this to Nova Scotia Power was made. The offer was refused. The upshot of the matter was that an order excluding Halifax Power from jurisdiction of the Public Utilities Board was rescinded and the company is now back under the board's jurisdiction.

Capitalization—	Authorized	Outstanding
Common	50,000 shs.	34,523 shs.
No par value.		
Preferred, 6% ..	$5,000,000	$1,250,000
Par $100.		
Funded Debt—		
First mtge. 5% series "A" bonds, due 1958	4,345,000	4,264,500

Dividend Record—

Preference—6 per cent per share per annum, payable quarterly, March, June, Sept. and Dec. 1.

Common—$4.00 per share per annum, payable quarterly, Jan., April, July and Oct. 1.

Officers and Directors—

Officers—J. C. MacKeen, pres.; H. McG. Stewart, vice-pres.; J. B. Hayes, mgr.; C. J. Hayes, sec.; A. W. Wentzell, treas.

Directors—Hon. W. H. Covert, H. E. Mahon, J. McG. Stewart, J. C. MacKeen, G. MacG. Mitchell, Halifax; W. H. Chase, Wolfville, N.S.; Denis Stairs, R. J. Macadam, Dr. E. V. Hogan, Halifax.

Years End. Dec. 31:	1931	1930	1929
Times Bond Interest† Earned:			
Before deprec. & other int.	2.46	3.14	3.39
After deprec. & other int.	1.88	2.40	2.37

† And U. S. premium paid (1931).

Earnings per Share and Dividend Record:	1931	1930	1929
Preference: Earned	$16.42	$20.11	$32.40
Paid	6.00	6.00	6.00
Common: Earned	3.77	5.95	5.74
Paid	4.00	4.00	1.00

MARITIME ELECTRIC

Company's Activities Cover Widespread Area in Maritimes

Maritime Electric Co., controlled by Associated Gas and Electric Co. of the United States, is active in a wide area. In addition to supplying power requirements of Fredericton, N.B., it also sells power to St. Stephen, Charlottetown, P.E.I., Bridgetown and Lawrencetown, N.S., and Calais, Me. Its properties include three steam and two hydro-electric plants having a combined installed capacity of 2,800 kilowatts. The company serves more than 8,500 customers.

Completion of New Brunswick Power Commission's central electric steam station at Grand Lake two years ago has enabled Maritime Electric to purchase power requirements from that source. It has contracted for a minimum of 3,500,000 kw.h. a year which is distributed in Fredericton and surrounding districts formerly served by the company's steam station in Fredericton.

Capitalization—	Authorized	Outstanding
Common	$1,000,000	$350,000

Par $100.

Officers and Directors—

Officers—F. H. Golding, pres.; T. J. Coleman, I. T. Haddock, J. F. McKenna, vice-pres.; H. C. Moore, Jr., sec.-treas.

Directors—S. J. Magee, H. C. Moore, Jr., I. T. Haddock, F. H. Golding, Warren Partridge.

Churchill River Power

Churchill River Power Co. is a wholly-owned subsidiary of Hudson Bay Mining & Smelting Co. and was formed in 1928 to develop power to serve the plant of the parent company at Flin Flon, Manitoba. The power plant is located at Island Falls on the Churchill River and came into operation on June 1, 1930, with five units generating a total of 44,258 horsepower. Three of the units are of 14,000 h.p. capacity and two units generate 1,258 h.p. each. Additional units to the amount of 14,000 h.p. may be added.

In 1931, 166,630,000 kw.h. were generated and the load factor was 80.5 per cent.

MACLAREN-QUEBEC

Development Programme Runs According to Schedule

Development programme of MacLaren-Quebec Power Co. is proceeding according to schedule and indications are that the company will be able to live up to the terms of its contract with the Ontario Hydro Commission which calls for delivery of the first block of 125,000 horsepower by July, 1933.

Already the company is supplying the James MacLaren Co. with 66,000 horsepower and this together with the Ontario Hydro contract disposes of 191,000 horsepower of the 216,000 horsepower now installed or in course of installation.

All the common shares of MacLaren-Quebec Power are owned by MacLaren Power and Paper Co. Public financing to date covers an issue of $12,000,000, 5½ per cent, first mortgage bonds but additional funds will be required to bring the project to completion. No statement of the company's financial position has been made public to date.

Capitalization—	Authorized	Outstanding
Common	250,000 shs.	50,000 shs.

No par value.

All except directors' qualifying shares, owned by Maclaren Power & Paper Co.

Funded Debt—

1st mtge. series "A," 5½%, due 1961, issued $12,000,000.

Distribution System Grows

During 1931 the power industry's pole line mileage increased by 3,585 miles, 546 miles in transmission and 3,039 miles in distribution mileage. Over 63 per cent of this increase in distribution pole line mileage was in Ontario.

Serving Nova Scotia

NOVA SCOTIA LIGHT & POWER COMPANY, LIMITED, supplies electricity, transportation and gas to the citizens of the capital city, Halifax. Through subsidiary companies, it is playing a leading part in the electrical development of the Province, and is now operating in nine counties.

Under the management and control of Nova Scotians, with a sound financial structure, this company is contributing in a material way to the development and prosperity of the territory it serves.

Benefits resulting from increased earnings and economical operations are being shared by both the company and its customers.

Dependable Progressive Service

Nova Scotia Light and Power Company, Limited
HALIFAX, N.S.

SOUTHERN POWER CANADA

STABILITY and Opportunity

Since 1913, over 70 firms, representing a capital investment of more than $70,000,000, have located in the Southern Canada Power Company's industrial area. The experience of these manufacturers is the best answer as to where you should establish factory facilities to serve Canadian and Empire markets.

The district served by Southern Canada Power is close to the summer port of Montreal and on the Main Railway Lines to Winter Ports.

Reliable power, adjacent large markets, steady labor and low taxation combine for low cost manufacturing.

SOUTHERN CANADA POWER COMPANY LTD.
355 St. James St. W.
MONTREAL

ROOFING—Built-up Roofings, Asphalt Shingles, Roll Roofings, Slate Surfaced Roofings . . . . .

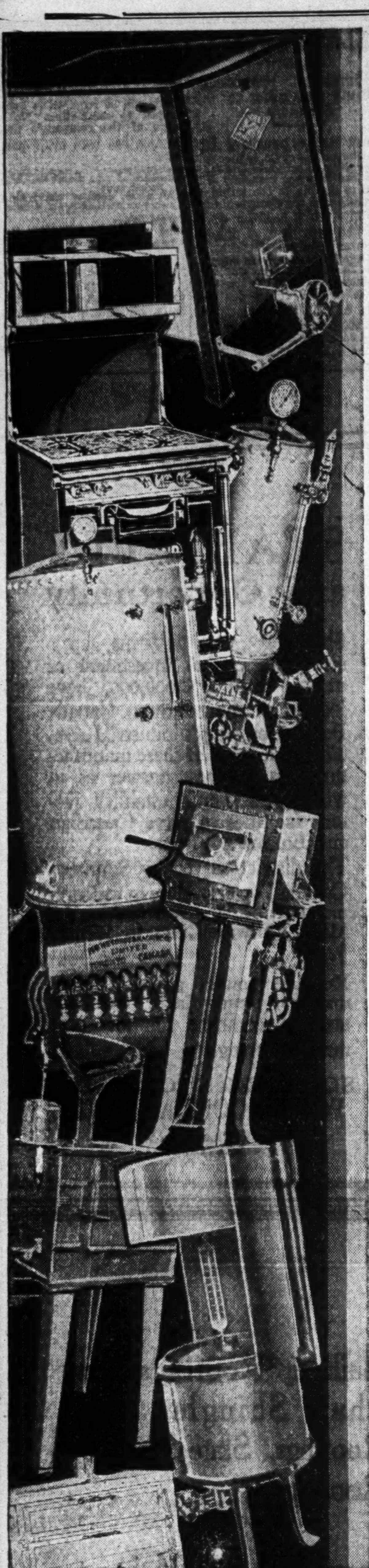
INSULATION—Insul Board—Moisture-proof Insulating Lumber, Building Papers . . .

FLOORING—Asphalt Industrial Flooring, Colored Tile Flooring . . . .

Wallboards, Industrial Paints and other quality Products known the Continent over under the names of Bird, Ruberoid and Vulcanite

BUILDING PRODUCTS BP LIMITED

Building Products Limited
MONTREAL TORONTO HAMILTON
WINNIPEG SAINT JOHN, N.B. HALIFAX



Gas is Always Modern

THE Gas Industry is always modern because it is inherently adaptable to changing conditions. Gas is a universal fuel. Its efficiency and economy, its cleanliness and convenience, and its constant readiness to serve have stabilized an industry which, in the civilized parts of the world, represents investments of many billions of dollars.

Vast changes have come over the world in the century of the commercial use of gas. It is an industry which began as an agency selling light. The flickering gas jet is now mostly a memory, but the gas industry is immensely more important today than when illumination was its principal, virtually its only, function.

Why is the gas industry such a vital part of our civilization despite the elimination of its original function? Primarily because gas is a heat fuel, the uses for which have multiplied time and again since the first kitchen was equipped with a gas range, the first fireplace with a gas fire.

Today there are dozens of highly efficient appliances which make the home comfortable and eliminate the drudgery from housekeeping. The modern gas range is a thing of beauty and a marvel of efficiency. The water heater, the space heater, the auxiliary warm-air furnace, the laundry dryer and the thermostatically controlled garage heater are some of the devices which guarantee stability of gas sales in the domestic field. The automatic gas refrigerator and the gas furnace—both developed to a high degree of perfection—have opened new sales sources which, with the appliances already in general use, assure the future of the industry.

In every factory in the land where heat is needed, gas is, or can be, used with the utmost efficiency. While this branch of the gas industry is subjected to the rise and fall of business, the gas industry has suffered less through the depression than have most other branches of public utility service.

Literally there are hundreds of uses for gas in commerce and industry, ranging from the tiny steam boiler in the hat-cleaning establishment to the giant ovens in the world's largest bakeries. Each year sees the variety and number of purposes increased largely as a result of the valuable research work sponsored by the industry.

Gas has a larger market today than ever before and it is reasonable to conclude that the adaptability and expansion in industry attained by gas in the past will continue in the future.

* * *

Growing with Greater Toronto

The Consumers' Gas Company of Toronto is a unit of this vital industry which not only has grown more rapidly than the industry but also more rapidly than the metropolitan area it serves. Its motto "For the Public Good" has been the guiding principle through all the years since it was organized in 1848. The high investment rating its stock enjoys is a demonstration that stability of return and economic soundness of the enterprise are the rewards for success in maintaining service at reasonable rates.

This company is unique in that it operates under a special charter which gives the consumers a share in the profits — which share takes the form of reductions in rates — after allowing for operating costs, depreciation, taxes and dividends. The arrangement frees the company from the periodic discussions as to rates which are a feature of public-utility operation in many other communities. At the same time the need for expansion of the service with the growth of the community in population and in variety of commercial activity is an impelling reason for economical and efficient administration.

The Consumers' Gas Company now has more than 1,000 miles of mains in use. Between 1921 and 1930 there was a growth of 30 per cent in gas consumption. (There was an increase even for the fiscal year ended September 30, 1932, and a decline of less than 3 per cent since.)

This company has provided reasonably for future growth, by pursuing the policy of making extensions to the system only if justified by actual or immediate potential demand.

Quality of service never has been excelled by any other gas company. A system of semi-high-pressure mains which encircle the city assure not only a constant pressure at the consumer's meter but enables the company, from holders properly located, to take care of all peak loads, whether expected or not, without inconvenience to any consumer.

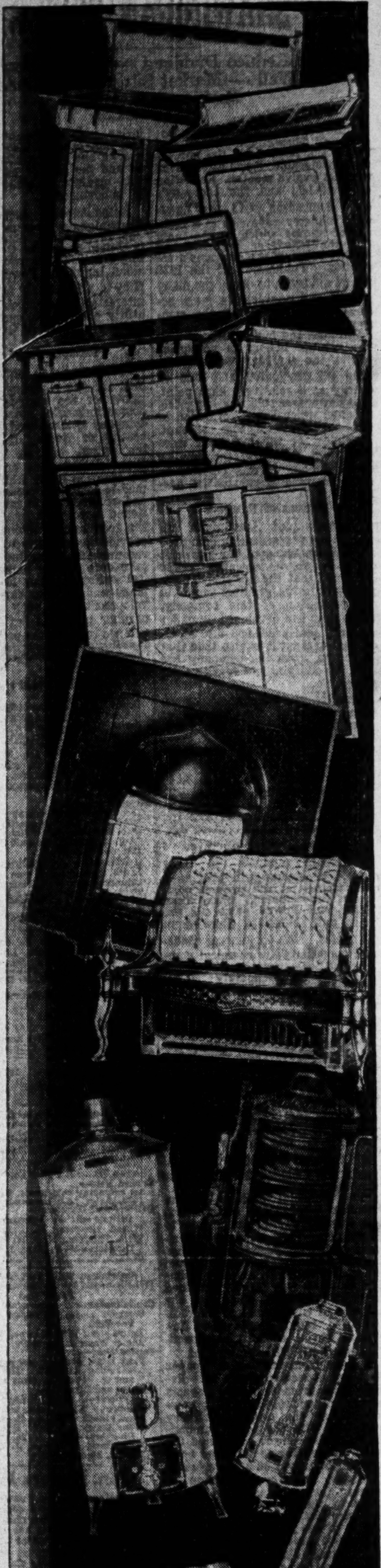
The Consumers' Gas Company of Toronto is owned by more than 3,200 shareholders, most of whom are residents of Greater Toronto.

Unusual among utility companies, the Consumers' Gas Company does not finance with bond issues or other securities having a claim on assets and earnings prior to the ordinary stock. Expansion is from time to time financed by the sale of additional stock and the premiums over the par value which this stock normally commands, enable the company to maintain its rate of dividend on earnings which are only a trifle more than 5 per cent of the value of assets. Having attained its present dividend — which cannot under its charter be increased — fluctuations in the market value of the shares are in close harmony with fluctuations in the value of government bonds.

The record of the Consumers' Gas Company covering a period of 85 years is a record of unequalled service to the public and stability of return to its shareholders. The investment record is not excelled in this country and is a prime reason for the economy of its financing. Economy of financing is of direct concern to every consumer.

* * *

The
Consumers' Gas Company
of Toronto



CALGARY POWER

Secures Controlling Interest in Ottawa Valley Power —Earnings Maintained on Satisfactory Level in Past Year

Feature of the situation surrounding Calgary Power last year was announcement that the company has acquired a controlling interest in Ottawa Valley Power Co. by purchase during 1931 of shares and securities of the latter. Details of the transaction have not been made public but it is understood that revenue accruing from this investment will find reflection in earnings of Calgary Power for 1932.

No figures on last year's revenue have been published yet. It is stated, however, that profits have been maintained and it is expected that the financial statement will reveal earnings sufficient to cover all charges and common dividends which are presently maintained at an annual rate of 6 per cent.

Extends Rural System

Ability to hold earnings at a relatively satisfactory level reflects expansion carried out in recent years. Following completion of its hydro-electric development at the Ghost-Radnor site, transmission lines were widely extended and a line to Edmonton of 180 miles length was tapped at various spots, allowing power to be served to rural centres. Agricultural conditions in Alberta have been rather more encouraging than those experienced in other prairie provinces in the past three years, a factor which worked to the advantage of Calgary Power Co. In Alberta the company has about 1,865 miles of transmission line in operation, indicating extent of the network it has laid throughout the province.

Progress of its subsidiary operating in Saskatchewan has been satisfactory. This company, known as the Prairie Power Co., operates some 500 miles of line in the southern part of Saskatchewan and serves about 55 communities. It was formed to take over a system formerly operated by the Montreal Engineering Co.; power is purchased from National Light and Power Co. at Moose Jaw and from the municipal plant at Weyburn.

Largest in Alberta

Calgary Power Co. is the dominant power producer in Alberta. Three hydro-electric plants are operated on the Bow River having a combined output of 68,000 horsepower, and a potential output of 96,000 horsepower. Figures available to the end of 1931 show a steady increase in kilowatt output each year.

Working capital position has been unsatisfactory for the past few years and current liabilities exceeded current assets by $3,262,864 at the end of 1931. It may be expected that the company will carry out permanent financing as soon as conditions permit with a view to liquidating bank loans which totalled $2,805,000 at the end of 1931:

Capitalization—	Authorized	Outstanding
Common	$5,000,000	$3,500,000
Preferred	7,500,000	6,000,000

Par $100.

Funded Debt—
1st mtge. S. F. bonds, 5 per cent, due 1960, outstanding $10,000,000.
$2,600,000 additional hypothecated against bank loan.

Dividend Record—
Preferred—$6 per annum, cumulative, payable quarterly, Feb., May, Aug. and Nov. 1.
Common—$6 per annum, payable quarterly, Jan., April, July and Oct. 1.

Officers and Directors—
Officers—I. W. Killam, chm. of board; G. A. Gaherty, pres.; R. B. Baxter, man. dir.; F. C. Clarke, vice-pres.; L. G. Proctor, sec.; S. B. Hammond, treas.; W. Anderson, commercial mgr., Calgary.
Directors—I. W. Killam, G. A. Gaherty, F. C. Clarke, S. B. Hammond, H. J. Symington, Denis Stairs, of Montreal; R. B. Baxter, Calgary; H. H. Parlee, K.C., Edmonton.

Year End. Dec. 31:	1931	1930	1929
Times All Interest Earned:			
Before deprec.	2.41	3.28	6.32
After deprec.	2.11	2.82	5.21
Earnings per Share and Dividend Record:			
Preferred: Earned	$10.03	$11.41	$11.43
Paid	6.00	6.00	6.00
Common: Earned .	7.15	9.34	11.55
Paid	6.00	6.00	5.00

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Common .	125	120	146	137	198	150

DUKE-PRICE POWER

Strong Showing Made Last Year — Pay Dividend on Common

Duke-Price Power Co., controlled by Aluminum Co. of Canada, reported net earnings for 1932 on a relatively high basis. A feature of the financial returns for last year was the declaration of a dividend of $1.30 a share on the common stock. This was the first payment to be made by the company on the junior security.

During the past year the company had redeemed $3,500,000 of 5-year 6 per cent gold notes. This was arranged through the issuance of a similar security of the same face value, which does not mature until April 15, 1935.

Sells Power Wholesale

Duke-Price Power operates plants at Isle Maligne, P.Q., with an installed capacity of 495,000 h.p. The company is primarily a wholesaler of electrical energy, its output being contracted for on long-term contracts, the majority of which are for 50 years. Of the present output, 100,000 h.p. goes to the Aluminum Co.; 100,000 h.p. to Price Bros. and Co.; a similar amount to Shawinigan; 30,000 h.p. to Port Alfred Pulp and Paper; 20,000 h.p. to Lake St. John Power and Paper. In addition, excess power is supplied to the three main customers for steam purposes. Further, through a subsidiary, Saguenay Electric Co., the company supplies the lighting, heating and industrial power requirements of the cities and villages in the Lake St. John district in the Saguenay River Valley, including Chicoutimi and Arvida.

Factors to Consider

In so far as operations are concerned, attention should be paid to the unsatisfactory situation in the newsprint industry which may necessitate a revision of contracts. During the past year Price Bros. & Co. got into difficulties and unsuccessful overtures were made to the Duke-Price Power Co. for a revision of contract. The other newsprint companies served by Duke-Price are in difficulties, and it is possible that adjustments may have to be made.

Investment interest in Duke-Price is confined to the bonds only, the capital stock control being distributed as follows: approximately 53 1/3 per cent to Aluminum Co. of Canada, 20 per cent to Shawinigan Water and Power Co.; and 26 2/3 per cent to the Duke-Price private interests.

Capitalization—	Authorized	Outstanding
Common	300,000 shs.	210,000 shs.

No par value.
Approximately 53 1-3 per cent of the capital stock is owned by the Aluminum Co. of Canada; 20 per cent by the Shawinigan Water & Power Co.; and 26 2-3 per cent by Duke-Price private interests.

Funded Debt—

First mtge. 6% due 1966	$36,239,881
Five year 6% gold notes, due 1932 (extended to 1935) ...	3,500,000

Officers and Directors—
Officers—E. K. Davis, pres.; L. McCarthy, J. H. Price, R. E. Powell, vice-pres.; J. H. Aliger, sec.; G. O. Morgan, Jr., treas.; J. F. Van Lane, asst. sec.; F. L. Farrell, asst. sec. and asst. treas.; E. Blough, asst. treas.
Directors—J. E. Aldred, E. K. Davis, W. R. Perkins, New York; J. H. Price, Quebec; L. McCarthy, J. F. Van Lane, Toronto; J. C. Smith, R. E. Powell, A. Geoffrion, Montreal, Que.

Years End. Dec. 31:	1931	1930	1929
Times Bond Interest Earned:			
Before deprec.	1.56	1.53	1.40
After deprec.	1.26	1.27	1.14
Earnings per Share ..	$2.73	$2.82	$1.53

No dividends paid.

SAGUENAY ELECTRIC

(Controlled by Duke-Price Power Co.)

Capitalization—	Authorized	Outstanding
Common	$1,700,000	$750,000
Preferred	800,000	700,000

Par $100.
Majority of the issued stock owned by the Duke-Price Power Co.

Funded Debt—
First mortgage and collateral trust 5½ per cent bonds, series "A," due 1953, $1,360,000.

Officers and Directors—
Officers—J. E. A. Dubuc, pres.; McNeely DuBose, vice-pres.; V. Dubuc, sec.-treas.; P. M. Corrigan, asst. treas.
Directors—J. E. Dubuc, McNeely DuBose, V. Dubuc, Chicoutimi, P.Q.; J. C. Smith, R. E. Powell, Montreal, P.Q.

Years End. Dec. 31:	1931	1930	1929
Times Bond Interest Earned:			
Before deprec.	1.48	1.45	1.14
After deprec.	1.06	1.03	0.73
Earnings per Share:			
Preferred	$0.64	$0.31	nil
Common	nil	nil	nil

No dividends have been paid.

WEST KOOTENAY POWER

Bond Interest is Earned — Power Load is Reduced

Due to restricted activity at the plants of Consolidated Mining and Smelting Co. of Canada, power load of West Kootenay Light and Power Co. has tended to decline since the mining company is its chief customer. Earnings have also been on a lower basis but were sufficient in 1932 to cover interest charges by a good margin.

West Kootenay Power is the largest producer and distributor of power in the Southern British Columbia area. It is controlled by Consolidated Smelters and its production is closely allied with activity in the latter company's plant. In addition to this outlet, however, West Kootenay supplies power and light service to the district bounded by Nelson on the north-east, Allenby on the west, including the Okanagan Valley down to the international boundary. Principal centres served are Rossland, Trail, Grand Forks, Kelowna, Penticton and similar areas.

Property is Extended

With the rapid expansion of the parent company's activities and necessity for securing larger supplies of power, West Kootenay has been active in developing new power sites. From 1926 to date, the company has rebuilt its No. 1 Lower Bonnington plant, added two units to No. 3 South Slocan plant in 1928 and a third unit early in 1929. Work was started on a plant at Corra Lynn in November, 1930, and has been completed. In all, the company has four power stations on the Kootenay River with a total output of 219,000 h.p.

Other projects contemplated include a development on the Goat River, a 30,000 h.p. project on the Kootenay River near Brilliant, while the largest scheme the company has in mind is one on the Pend d'Oreille River, plans for which provide for an ultimate development of 300,000 h.p. Materialization of these plans, of course, depends upon business conditions.

Public Buys Bonds

Investment interest in securities of West Kootenay Power are confined to its bond issue. These bonds are guaranteed as to payment of principal and interest by Consolidated Smelters, which owns all of West Kootenay's common stock. Smelters in turn is controlled by the C. P. R., which also owns a majority of the issued 5,000 preferred shares of West Kootenay.

Capitalization—	Authorized	Outstanding
Common	$14,500,000	$6,112,000
Preferred, 7% ..	500,000	500,000

Par $100.
Entire common stock owned by Consolidated Mining & Smelting Co.

Funded Debt—
1st mtge. S. F. bonds, 5 per cent, series "A" due 1956, outstanding $6,500,000.

Dividend Record:
Preferred—7 per cent per annum, cumulative, payable 1st Jan., April, July and Oct.; paid regularly.
Common—15 per cent paid in 1930; 12 per cent in 1931; none since.

Officers and Directors—
Officers — J. J. Warren, pres.; L. A. Campbell, vice-pres. and gen. mgr.; F. E. McNally, sec.-treas., Montreal; C. B. Smith, asst. sec.-treas., Rossland, B.C.
Directors—J. J. Warren, E. W. Beatty, E. Hanson, G. F. Benson, E. B. Hosmer, Rt. Hon. Lord Shaughnessy, Montreal; L. A. Campbell, Rossland, B.C.

Years End. Dec. 31:	1931	1930	1929
Times Bond Interest Earned:			
Before any deprec.	6.64	12.96	12.72
After all deprec. .	3.81	7.65	6.68
Earn. per Share and Div. Record:			
Pref.: Earned	$94.62	$158.17	$138.57
Paid	7.00	7.00	7.00
Common: Earned .	7.74	12.36	10.76
Paid	12.00	15.00	....

Venezuela Power

Venezuela Power Co., controlled by International Power Co., operates the light and power business in Maracaibo and Barquisimeto. New generating plants have been built to take care of the increase in population due to the growth of the oil industry in that vicinity.

The company also manages the activities of Tocuyo Electric Light and Power Co. which serves a population of about 18,000 in the towns of Tocuyo and Quidor.

INTERNATIONAL POWER

Depreciated Currency Makes Difficulties During Past Year

Depreciated currency has been one of the biggest problems which International Power Co. has had to face in the past year. Though most of its subsidiaries in South America have been making progress, depreciation in their respective currencies has made it difficult for the parent company to withdraw funds without a loss.

The main operating subsidiary is Porto Rico Power Co. from which the major portion of the holding company's revenue is derived. Since American currency is in use in Porto Rico benefits are felt in the transference of funds from this company. Unfortunately Porto Rico experienced heavy damage last year during a hurricane which swept the island, but its system was quickly rehabilitated and its resources were sufficient to withstand the shock.

Other subsidiaries of International Power Co. are active in Newfoundland, Bolivia, British Guiana, Venezuela and San Salvador. Political disturbances in some of these countries have tended to aggravate adverse economic conditions; it is stated, however, that operating properties have been well maintained. Substantial expansion was undertaken three years ago.

Financing is Delayed

Working capital position of International Power reflects expenditures made on these properties and the company's inability to fund loans owing to financial conditions. Bank loans at the end of 1931 were $3,500,000 and current liabilities exceeded current assets by $5,139,557. Preferred dividends have been deferred since October, 1931, in an effort to conserve cash resources and reduce bank borrowings.

An improvement in the company's position depends in part on stabilization of currency exchanges in South American countries served.

Capitalization—	Authorized	Outstanding
Common	220,000 sh.	115,610 sh.
No par value.		
1st pref., 7% ..	$15,000,000	$8,000,000
2nd pref., 6% ..	2,000,000	2,000,000

Par $100.

Funded Debt—

Gold debs., 6½%, due 1957	$3,000,000
Do., 6%, due 1957	2,000,000

Dividend Record—
First Preferred—7 per cent per annum, payable quarterly, 1st Jan., April, July and Oct. Paid regularly to and including Oct. 1, 1931; none since.
Second Preferred—Cumulative from Mar. 1, 1927. None paid to date.
Common—None paid to date.

Officers and Directors—
Officers — I. W. Killam, pres.; F. C. Clarke, sec.-treas.; L. G. Proctor, asst. sec.
Directors—I. W. Killam, R. D. Bell, F. C. Clarke, H. J. Symington, Montreal; J. H. Price, Quebec, Que.; Hon. W. D. Ross, L. M. Wood, Toronto; O. E. Smith, Halifax, N.S.; G. MacGregor Mitchell, Halifax, N.S.; W. H. Chase, Wolfville, N.S.; C. A. C. Bruce, St. John's, Newfoundland.

Year End. Dec. 31:	1931	1930	1929
Times deb. int. earn.	2.78	2.79	3.12
Earnings per Share and Dividend Record:			
First pref.:			
Earned	$7.11	$7.05	$7.51
Paid	5.25	7.00	7.00
2nd pref.: Earned	*0.44	0.19	2.04
Paid	....	....	....

Common stock: None earned or paid.
*After deduction of full year's dividend on 1st preferred.

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Common ..	2½	2½	8	5	18	7½
Pref. 1st ..	20	20	73	56½	91	69

Newfoundland Light

Newfoundland Light and Power Co., controlled by International Power Co., does not make public its financial statements; public investment interest is confined to its bond issues. It is understood, however, that bond interest was earned last year and that revenue was maintained.

Early in 1931 the company completed a 5,000 horsepower hydro-electric development at Pierre's Brook, whose main function was to supply power under contract to Dominion Steel and Coal Corp. for mining activity on Bell Island. Owing to slackness in the steel industry mining operations have been severely curtailed. In addition to this new development, Newfoundland Light operates a 7,000 horsepower plant near St. John's.

The company owns and operates the electric light, power and tramway service in that city. Number of light and power customers at the end of 1931 were 7,882, the highest figure to be recorded.

NEWFOUNDLAND LIGHT & POWER

(Controlled by International Power)

Capitalization—	Authorized	Outstanding
Common	$2,000,000	*$1,500,000

*Over 95% held by parent company.

Funded Debt—
1st mtge. 6½ per cent bonds, series "A," due 1949, outstanding $1,345,500; 5½ per cent series, due 1971, outstanding $800,000; 7 per cent mtge. debs., due 1949, outstanding $485,500.

Dividend Record—
Initial dividend of 2 per cent paid in 1926; in 1927, 3 per cent; and in 1928, 1929, 1930 and 1931, 4 per cent.

Officers and Directors—
Officers—I. W. Killam, pres.; F. C. Clarke, sec.; J. W. Kent, asst. sec.
Directors—I. W. Killam, Denis Stairs, F. C. Clarke, Montreal; Sir Marmaduke Winter, C. A. C. Bruce, Lt.-Col. L. C. Outerbridge, C. C. Hunt, St. John's Newfoundland.

Bolivian Power

Economic disturbances, coupled with low prices in the tin market, have worked adversely against the business situation in Bolivia, where Bolivian Power Co., subsidiary of International Power Co., is active. The company operates the utility services in La Paz, principal city in Bolivia, and supplies power to Oruro and surrounding mining districts.

No financial statement has been made public since 1930. At that time bank loans totalled $3,423,000 and current liabilities exceeded assets by $2,507,000.

Capitalization—	Authorized	Outstanding
Common	$3,000,000	*$3,000,000

Par $100.
*Approximately 77 per cent held by International Power Co.

Funded Debt—
1st mtge. bonds, series "A," 8 per cent, due 1945, outstanding $1,550,000.

Dividend Record—
None paid since Dec., 1929.

Officers and Directors—
Officers—I. W. Killam, pres.; F. C. Clarke, sec. and treas.; L. G. Proctor, asst. sec.
Directors—I W. Killam, N. S. Brooke, S. B. Hammond, F. C. Clarke, Montreal, Que.; A. Dumaine, Paris, France.

San Salvador Light

San Salvador Electric Light Co., subsidiary of International Power Co., operates light and power services in San Salvador and 16 adjoining municipalities. Property includes two hydro-electric developments with a combined capacity of 3,300 h.p. The company does not make public its financial statement.

B. C. People Favor Use of Electricity

Domestic use of electric energy is greater in British Columbia than in any other province of the Dominion. Statistics compiled by the Dominion Bureau of Statistics show that in 1931 the Pacific Coast province had the greatest density of domestic service customers with 18.09 per 100 of population.

Ontario was second on the list with a density of 16.89 per 100 population and Quebec was third with an average of 13.07 domestic service customers.

During the 10 years from 1921 to 1931 the average density for Canada increased from 9.44 to 12.89 per 100 of population and the greatest rates of increase in the density of domestic service customers were 108 per cent in New Brunswick; 66 per cent in Nova Scotia and 50 per cent in Ontario.

Porto Rico Power

Controlled by Inter. Power

Porto Rico Power Co. is the major operating subsidiary of International Power Co. Earnings in recent years have shown steady gains and dividends at the rate of 8 per cent were paid during 1931. International Power holds 91 per cent of the $3,000,000 common stock.

A set-back was incurred in the fall of last year when a hurricane did considerable damage to the company's system. Unlike the hurricane of 1928 when power plants were damaged, only the distribution system was affected last year and repairs were quickly effected. Extent of the loss has not been made public; in 1928 the company wrote off $375,000 for storm damage. It is understood, however, that sufficient reserves were on hand to take care of recent losses.

Porto Rico Power operates the electric light and power system in San Juan and adjoining municipalities together with an 18-mile steam railway, under long-term franchises. Investment interest is largely confined to the company's bond issues, though there is a small block of preferred stock in the hands of the public.

Capitalization—	Authorized	Outstanding
Common	$4,000,000	‡$3,000,000
Pref. 7%	1,000,000	1,000,000

Par $100.
‡Approximately 94 per cent of the common stock owned by the International Power Co.

Funded Debt—	Authorized	Outstanding
First mtge., 5%, due 1936	$3,000,000	*$1,842,500
Refund. mtge., 5%, due 1962 ..	7,300,000	973,333
Sink. fund debs., 6% due 1950 ..	2,000,000	1,000,000

*Of which $71,960 has been purchased by the company and is held for sinking fund purposes.

Dividend Record—
Preferred—7 per cent quarterly, payable Jan., April, July and Oct. 1. (Paid regularly since initial dividend on Jan. 2, 1910).

Officers and Directors—
Officers — I. W. Killam, pres.; Hon. W. D. Ross, chm. of the board; F. C. Clarke, sec.-treas.; L. G. Proctor, asst. sec.
Directors—I. W. Killam, F. C. Clarke, C. W. Allen, S. B. Hammond, H. J. Symington, Montreal; Hon. W. D. Ross, Toronto.

Year End. Dec. 31:	1931	1930	1929
Times All Interest Earned:			
After deprec.	2.70	2.06	2.84
Earnings per Share and Dividend Record:			
Pref.: Earned ..	$43.08	$28.46	$25.02
Paid	7.00	7.00	7.00
Com.: Earned ..	12.03	7.15	6.01
Paid	8.00	4.00	4.00

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Preferred .	..	..	70	64	92	84

NATIONAL LIGHT

Bond Interest is Well Covered — Domestic Sales Increase

National Light & Power Co. acquired the municipally owned power plant of Moose Jaw, Sask., in May 1930, and operates in that city under an exclusive 20 year franchise granted to the parent company, Iowa Southern Utilities Co.

Earnings of the company have shown some decline during 1932 reflecting conditions existing in western Canada, but interest on the $2,000,000 6 per cent first mortgage bonds outstanding was earned 1.78 times after depreciation. This compares with 1.99 times interest earned in 1931.

In 1932, 37 per cent of total revenue was secured from residential lighting and heating, 33 per cent from industrial power, 16.8 per cent from commercial lighting, 7.3 per cent from wholesale lighting and 7.8 per cent from municipal lighting. Industrial power sales have shown some reduction but the trend of sales for residential lighting and heating have shown continued increase since 1930. Gross earnings in 1932 were $512,314 as compared with $544,214 in 1931.

Movement of the wheat crop by the railways is expected to aid business of the company and connections made during 1932 are expected to aid the company during 1933. The company has made expenditures of some $440,000 on new equipment and in 1931 installed a new 10,000 k.w. generating unit.

Capitalization—	Authorized	Outstanding
Common	100,000 sh.	100,000 sh.
No par value.		
Preferred 7% ...	$10,000,000	$1,100,000

Par $100.

Funded Debt—
1st mtge, sinking fund bonds series "A," due 1949, outstanding $2,213,500.
6 per cent 10-year notes, $200,000.

Dividend Record—
None paid to date.

Officers and Directors—
Officers—G. M. Bechtel, pres.; E. F. Bulmahn, H. F. Berry, J. Ross Lee, vice-presidents; H. R. Bechtel, sec.; E. F. Bulmahn, treas.
Directors—G. M. Bechtel, J. R. Lee, H. R. Bechtel, Davenport, Iowa; E. F. Bulmahn, Centreville, Iowa; H. F. Berry, Moose Jaw, Sask.; D. I. McLeod, H. Borden, Toronto.

Nine Months End. Sept. 30—	1932	1931
Times 1st Mtge. Bond Int. Earned:		
Before deprec. reserve	2.14	2.34
After deprec. reserve	1.90	2.10
Earnings per Share and Dividend Record:		
Preferred: Earned	$7.34	$9.00
Paid	5.25	5.25
Common: Earned	0.23	0.41

None paid.

Demerara Electric

International Power Co.'s activities in British Guiana are centred in its control of the Demerara Electric Co. which supplies electric light and power in the city of Georgetown. Public investment interest in this organization is extremely limited.

DEMERARA ELECTRIC

(Controlled by International Power)

Capitalization—	Authorized	Outstanding
Common	$425,000	*$425,000

Par $100.
*Over 50 per cent held by parent company.

Dividend Record—
None paid since 1915.

Funded Debt—
1st mtge. 5% bonds, due 1929*, outstanding $500,000.

Officers and Directors—
Officers—I. W. Killam, pres.; H. MacR. Jones, vice-pres.; F. C. Clarke, sec.; L. B. Philpot, mgr.
Directors—I. W. Killam, G. A. Gaherty, N. S. Brooke, F. C. Clarke, H. MacR. Jones, Montreal; H. R. Silver, H. E. Mahon, Halifax, N.S.
*All owned by parent company.

Oruro Electric

Oruro Electric Light and Power Co., controlled by International Power Co., operates a light and power business in Oruro, one of the largest cities in Bolivia. Further extension to its property was made in 1931 when the initial unit of a 4,000 h.p. hydro-electric development was brought into operation.

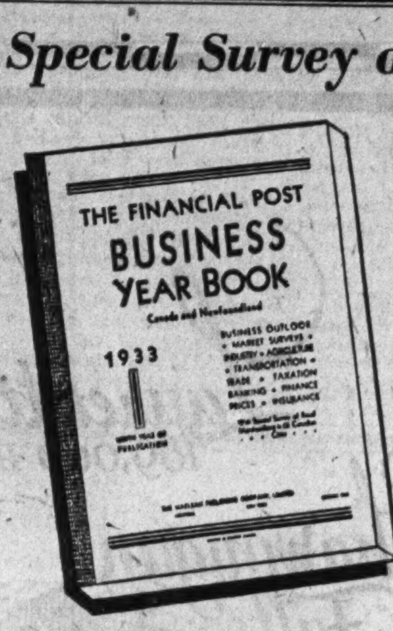
Special Survey of Retail Merchandising in 65 Canadian Cities

A Big Feature in

THE FINANCIAL POST

BUSINESS YEAR BOOK

New 1933 Edition


THE FINANCIAL POST
BUSINESS YEAR BOOK
Canada and Newfoundland
1933
BUSINESS OUTLOOK • MARKET SURVEYS • INDUSTRY • AGRICULTURE • TRANSPORTATION • TRADE • TAXATION • BANKING • FINANCE • PRICES • INSURANCE

184 Pages. Price $2.00. Order a Copy Now.

TABLE OF CONTENTS

Pages
Economic Review and Market Survey, 1932 19-28
Statistical Summary of Canada, 1932 20
Purchasing Power Survey, 1932 21
Market Data by Economic Areas 22
Market Data For 80 Leading Cities .. 25
Analysis of Canadian Farm Statistics 28
Retail Merchandising in Canada 29-39
Retail Sales in 65 Cities 31
Merchandise Sales by Groups 33
Independent vs. Chain Sales 37
Number of Retail Outlets in 63 Cities 38
Capital Movements in 1932 41-47
British and Foreign Investment in Canada, Jan. 1, 1933 41
Capital Investment in Canada, Jan. 1, 1933 43
Canadian Investments Abroad, Jan. 1, 1933 45
Canada's Balance of International Payments, 1932 45
New Capital Issues in Canada, 1932 .. 47
Manufacturing in Canada........49-76
Vegetable Products Industries 51
Iron and Steel Industries 55
Chemical Industries 58
Wood and Wood Products Industries 61
Animal Products Industries 67
Textile Industries 69
Non-Metallic Mineral Industries 73
Non-Ferrous Metal Industries 75
Miscellaneous Industries 76
Mining in Canada 77-82
Financial Statistics of Mining Industries 77
Details of Mineral Production 79
Twelve Leading Minerals of Canada . 80
Agriculture........................83-91
Sources of Agricultural Revenue 83
Consumption of Field and Animal Products 84
Yield and Value of Field Crops...... 85
Dairying in Canada 87
Wheat 88
Livestock 90
Fisheries 93
The Branch Plant in Canada ...95-96
New Industrial Plants in Canada, 1932 95
Tourist Trade 97
Building and Construction 99
Water Power and Electric Output 101-104
Cost of Power in Canadian Cities 103
Empire and Foreign Trade 105
Fiscal Year Trade Reviewed 106
Forty Leading Exports and Imports . 106
Canada's Trade with British Empire . 107
Canada's Trade with Countries Outside British Empire 110
Transportation and Communications 115-121
Steam Railway Statistics 115
Telegraph Statistics 117
Express Statistics 117
Electric Railway Statistics 118
Highway and Motor Vehicle Statistics 119
Canal Traffic Statistics 119
Telephone Statistics 121
Canadian Shipping Statistics 121
Population and Census Returns 123-129
Newfoundland and Labrador...133-139
Prices and Price Indices........141-144
Security Prices Indices 144
Banking and Exchange 145-152
Trust and Loan Company Statistics. 149
Foreign Exchange in 1932 152
Insurance 153-165
Life Insurance 153
Fraternal Insurance 157
Fire Insurance 159
Automobile and Casualty Insurance . 165
Provincial Insurance Provincially Licensed Insurers 165
Public and Corporation Finance and Taxation......167-176
Rise of Governmental Costs and Debts 167
Federal Revenues, Expenditure and Balance Sheet 168
Provincial Financial Statistics 169
Succession Duty Rates, 1932-33 170
Corporation Taxation in Canada ... 173
Corporation Taxation in Canadian Provinces 174
Bond Sales in Canada, 1932 175
Capital Obligations Maturing, 1933 .. 176
Immigration 177
Employment and Unemployment 178
Carloadings........ 179
Mineral Production, 1932 (Addenda)........ 180
Commercial Failures........ 180
Canadian Business Indicators ..181-184

Sign the coupon, attach $2.00 and mail today

THE FINANCIAL POST,
153 University Ave., Toronto 2.
Please send me postpaid a copy of The Financial Post BUSINESS YEAR BOOK, 1933. Attached is my $2.00 in payment.
Name ....
Address 292

KEEP OUT! says this STELCO FENCE

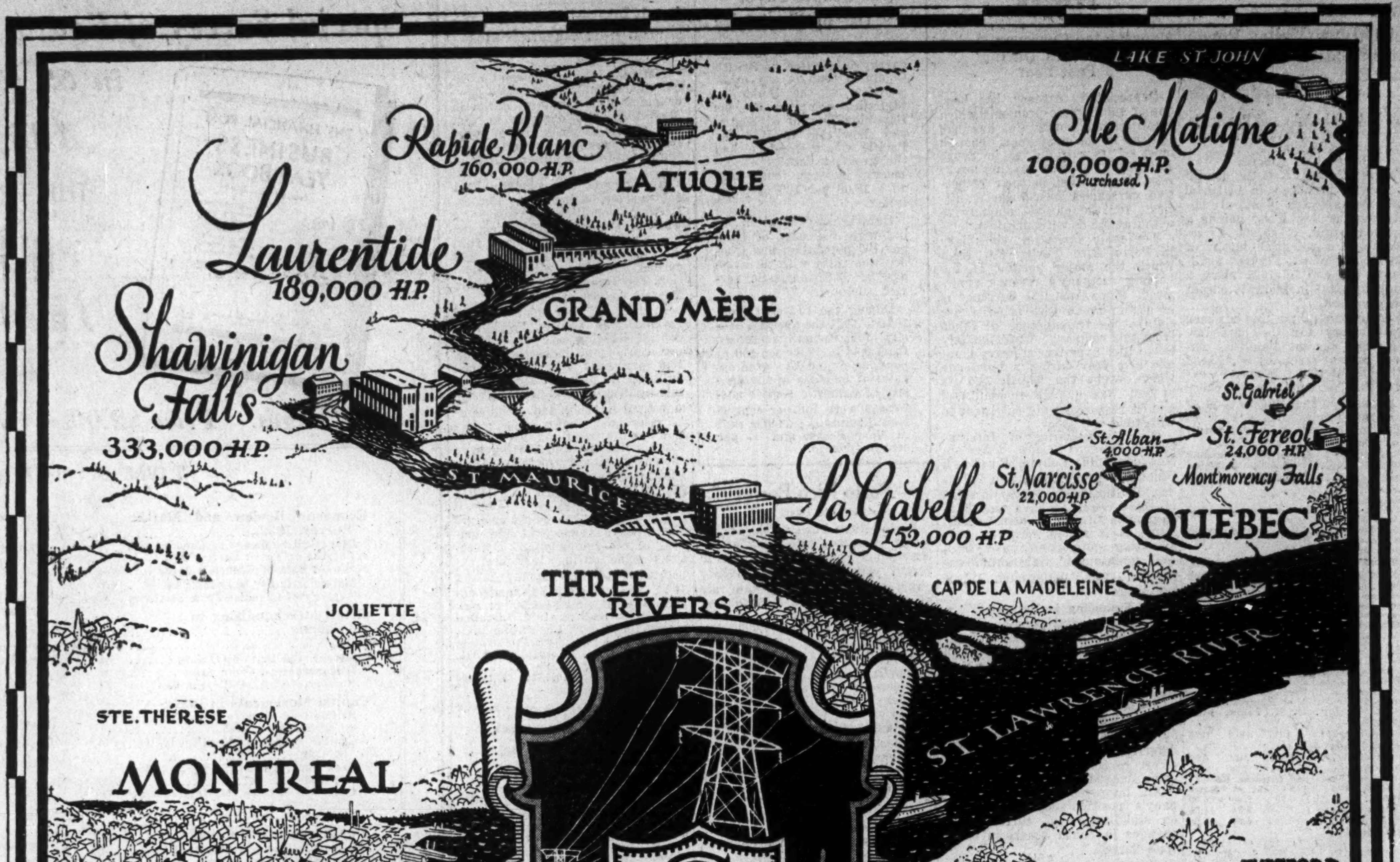
When the Hydro-Electric Power Commission decided on a new power line installation at Ottawa they planned permanent protection for transformers and other valuable distribution equipment. A Stelco Chain Link Fence was ordered and erected before the electrical installation work was finished. Thus was protection provided, not only for public property but for the public itself against dangerous high voltages.

Stelco Chain Link Fence is manufactured in our own plants from ore to finished product. It is made of strong copper-bearing steel wire heavily galvanized after weaving and is erected by our own construction crews on Stelco scale-free galvanized pipe.

Ornamental Iron Fence, too
We also make ornamental iron fence for every fence purpose.

Estimates or full information freely supplied without obligation.

THE STEEL COMPANY OF CANADA LIMITED
HAMILTON - Executive Offices - MONTREAL
Sales Offices: HALIFAX - SAINT JOHN - MONTREAL - TORONTO - HAMILTON - LONDON - WINDSOR - WINNIPEG - VANCOUVER
Steel Plant — HAMILTON WORKS, HAMILTON
Fence Plants — HAMILTON and MONTREAL


LAKE ST. JOHN
Ile Maligne
100,000 H.P.
(Purchased)
Rapide Blanc
160,000 H.P.
LA TUQUE
Laurentide
189,000 H.P.
GRAND'MÈRE
Shawinigan Falls
333,000 H.P.
ST. MAURICE
La Gabelle
152,000 H.P
St. Gabriel
St. Alban
4000 H.P.
St. Fereol
24,000 H.P.
St. Narcisse
22,000 H.P.
Montmorency Falls
QUEBEC
THREE RIVERS
CAP DE LA MADELEINE
JOLIETTE
STE. THÉRÈSE
MONTREAL
ST. LAWRENCE RIVER
SOREL
VICTORIAVILLE
THETFORD MINES
W&P
S

Empire Trade and World Markets

Quebec's destiny as a manufacturing centre was brought closer to realization by the Ottawa Imperial Conference, the result of which will doubtless be far-reaching. While the world economic situation precludes industrial expansion to any great extent at the present time, it is becoming more and more realized in other countries and in other provinces that Quebec's location is a strategic one industrially.

Nowhere in Canada is there such a combination of favourable conditions for manufacturing for Empire trade and world markets as is to be found in the valley of the St. Lawrence in the Province of Quebec. This applies to many smaller communities north and south of the River as well as those located along its shores. Evidence offering conclusive proof of these statements, based on the availability of raw materials, superior transportation, lower taxation, ideal labour, dependable power and other advantages, has been collected by this Company and is available.

Hydro-electric power available	858,750 h.p.
Being developed	160,000 h.p.
Population served	2,400,000
Distribution system	4,048 miles
Communities served	432

Manufacturers interested in learning the truth about Quebec and desirous of expanding in Canadian territory are offered a confidential service without incurring any obligation, a service which includes basic reports, industrial surveys, municipal surveys and economics of factory location.

SHAWINIGAN POWER

The
SHAWINIGAN
WATER & POWER CO.
Montreal - - - Canada

POWER CORP.

Big Utility Holding Company Experiences Further Decline in Investment Values and Earning Power —Would be Quick to Reflect Change

Reduction in engineering fees and in interest and dividends on securities held by the company, has resulted in limitation of Power Corp. of Canada's earning power. At the same time the market value of securities generally has declined, which in turn is reflected in a lowering of the value of investments held by the company.

Power Corp.'s activities can be roughly divided into two classifications—engineering services and investments. Through control or substantial stock interest the company has a close interest in Southern Canada Power, Canada Northern Power, East Kootenay Power, B.C. Power, Northern B.C. Power, Winnipeg Electric, Manitoba Power and Northwestern Power. In other years when these companies had expansion plans under way. Power Corp. drew down substantial fees for engineering services. Such work has been negligible over the last two years.

Decline in Investments

Investments of Power Corp. are also divided into two divisions, those in companies which it controls or is affiliated with and outside investments. In the former category the company had a book investment on June 30 last year of $26,534,817. Other investments were carried on the books at $16,635,538. These represent government and corporation bonds and stocks in various utility and industrial concerns.

The total book value of investments at the end of the last fiscal year was $43,170,355. The market value, or estimated fair value where securities are not quoted on a recognized exchange, was $26,614,960. On this basis there was an equity back of the debentures of $1,673, per $1,000 face value; $159.92 back of each $100 of first preferred; $24.96 back of each $50 par value second preferred; and nothing back of the common.

Since the publication of the 1932 report it is generally understood that values have further depreciated. No statement has been issued by the management on the current value of its holdings.

Income on Smaller Basis

The manner in which income has declined is best illustrated by giving comparative figures of common stock earnings. In 1930, share earnings amounted to $2.16; in 1931, $1.84 and in 1932, 15 cents. For the first six months of the current year ended December 31 last, Power Corp. reported net earnings after debenture interest of $355,000, as compared with $533,000 in the corresponding period of the previous year. After deduction of other interest charges and preferred stock dividends, earnings on the common stock were less than in 1932.

While conditions surrounding Power Corp. of Canada are not altogether favorable at this time, an important consideration in considering the company's outlook is that an improvement in stock market or business conditions would bring about a rapid change for the better. Until the turn has taken place Power Corp.'s status is not much different from that of other similar holding organizations.

Capitalization—

	Authorized	Outstanding
1st pref. 6% cum. Par $100.	$5,000,000	$5,000,000
2nd pref. 6% non-cum. Par $50.	5,000,000	5,000,000
Common No par value.	1,000,000 sh.	446,088 sh.

Funded Debt—

Convert. debentures, 5%, Series "A," due 1957, outstanding ... $2,298,700

Series "B" 4½%, due 1959, outstanding ... $9,475,000

Dividend Record—

1st Pref. — $6 per annum, cumulative, payable Jan., April, July and Oct. 15.

2nd Pref.—$3 per annum, non-cumulative, payable Jan., April, July and Oct. 15.

Common—None at present; formerly $2.00 per share per annum, payable quarterly Feb., May, Aug., and Nov. 20. Initial dividend at this rate was paid Nov. 1930, and regularly to and including May, 1932; none since.

Officers and Directors—

Officers—A. J. Nesbitt, pres.; P. A. Thomson, vice-pres.; J. B. Woodyatt, vice-pres. and gen. mgr.; L. C. Haskell, sec.; C. Johnstone, treas.; V. J. Nixon, asst. sec.; F. D. Lamont and T. Irving, asst. treas.

Directors—A. J. Nesbitt, J. B. Woodyatt, J. M. Robertson, P. A. Thomson, N. A. Timmins, Montreal; Col. J. R. Moodie, Hamilton.

Year Ended June 30:	1932	1931	1930
Times All Int. Earn.:*	1.81	2.97	3.31

*Based on gross earnings.

Earnings per Share and Dividend Record:	1932	1931	1930
1st pref.: *Earned	$13.33	$28.39	$31.21
†Earned	nil	23.55	49.58
Paid	6.00	6.00	6.00
2nd pref.: *Earned‡	3.66	11.20	12.61
*Earned§	nil	3.00	3.00
†Earned‡	nil	8.77	21.79
†Earned§	nil	3.00	3.99
Paid	3.00	3.00	3.00
Common: *Earned‡	0.15	1.84	2.16
*Earned§	nil	1.84	2.16
†Earned‡	nil	1.29	4.21
†Earned§	nil	1.29	3.99
Paid	2.00	2.00	2.00

* Based on gross earnings less expenses, interest and taxes.

† Based on gross earnings plus profit (or minus loss) on sale of securities, less discount on debentures written off, transfer to general reserve and transfer to investment reserve.

‡ Before (§ after) taking into consideration the participation features.

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Pref.	90	25	102	94	105	93
Com.	36½	6	63½	35⅞	90	50

EAST KOOTENAY POWER

Company Still Delays Provision for Depreciation

Controlled by Power Corp.

Output and earnings of East Kootenay Power Co., subsidiary of Power Corp. of Canada, continue to record declines. In 1932, the company produced 69,305,642 kw.h., a reduction of 3,000,000 kw.h. from the previous year. Earnings for the first nine months of the current fiscal year which ends March 31, 1933, showed a drop of 7 per cent compared with the corresponding period of the previous year. Reflecting this situation, dividends on the preferred stock were deferred in March, 1932.

Operations of East Kootenay Power are carried on in the southeastern section of British Columbia and the southwestern part of Alberta. There are three plants in operation, having a total capacity of 35,500 h.p. while consideration has been given to development of a site at Phillips Canyon on the Elk River. It is unlikely, however, that construction will be started in the near future.

Earnings Were Lower

The company's last financial statement showed a reduction in net earnings which were $304,535. Interest charges left $69,925 applicable to preferred dividends of $70,000. A feature of the statement was that no depreciation charges have been provided since 1927, despite the fact that in the interval, investments in plant, equipment, etc., have increased from $4,577,078 to $5,467,059.

Lack of working capital has also been apparent in the last few balance sheets, and at the end of March, 1932, current liabilities exceeded current assets by $1,945,207. It may be expected that financing will be undertaken when market conditions improve.

Power Corp. of Canada controls the company through ownership of 17,863 shares of the 30,000 shares of no par value common outstanding. Public investment interest lies in an issue of $1,000,000 of preferred stock, on which dividends have been suspended, and a funded debt of $2,146,000.

Capitalization—

	Authorized	Outstanding
Common No par value.	50,000 shs.	30,000 shs.
Pref. 7% Par $100.	$5,000,000	$1,000,000

Funded Debt—

First gold 7 per cent, series "A," due 1942 ... $1,861,000

7 per cent bonds, series "B," due 1942 ... 285,000

Dividend Record—

Preferred — $7 per annum, cumulative, payable quarterly, 15 March, June, Sept. and Dec. Paid regularly to and including Mar. 15, 1932; none since.

Common—None.

Officers and Directors—

Officers—A. J. Nesbitt, pres.; J. B. Woodyatt, vice-pres.; A. B. Sanborn, gen. Mgr., Fernie, B.C.; L. C. Haskell, sec.; V. J. Nixon, asst. sec.; C. Johnstone, treas., Montreal; U. K. Colton, asst. sec.-treas., Fernie, B.C.

Directors—A. J. Nesbitt, L. C. Haskell, G. W. Scott, E. R. Parkins, P. A. Thomson, J. B. Woodyatt, Montreal; A. B. Sanborn, Fernie, B.C.

Years End. Mar. 31:	1932	1931	1930
Times Interest Earned:			
Before deprec.	1.30	1.28	1.41
Earnings per Share and Div. Record:			
Pref.: Earned	$6.99	$7.69	$10.28
Paid	7.00	7.00	7.00
Common: Earned	nil	0.23	1.09
None paid.			

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Preferred	..	..	97	94½	97	86
Common	20	3	16	16	25	18

B. C. POWER CORP.

Financial Statement for Current Year Expected to Show Net Earnings Under Dividend Rate — Company Serves Good Area

Affiliated with Power Corp. of Canada

British Columbia Power Corp., holding company for the major utilities operating on the Pacific Coast province, reported earnings for the fiscal year ended June, 1932, equivalent to $2 a share on its Class "A" stock, all of which was paid out in the form of dividends.

Interim operating statements for the current year show that for the seven months ended January net operating income totalled $3,304,210 as compared with $3,696,702 for the corresponding period of the previous year.

After providing for interest and other senior charges, balance available for dividends on the "A" stock was insufficient to cover the annual rate of $2 a share.

Expectations are that the directors will continue to pay the current dividend at least until the end of the fiscal year, After that, if not before, it is expected that the dividend will be reduced.

Operating Basis Good

During the 1932 fiscal year the company reported kilowatt hour sales of electric energy of 346,549,000 as compared with 372,282,000 in the preceding year. The number of customers, on the other hand, increased from 118,267 to 121,169.

Operations of the gas department were satisfactory, sales advancing from 1,272,870,000 cubic feet to 1,313,074,000 cubic feet. There was also a small increase in the number of consumers from 50,697 to 50,728, while the miles of main used increased from 572 to 590.

Tramways operations were again disappointing, the number of passengers carried totalling $69,862,000, the lowest in five years, comparing with 74,249,000 in 1931. Freight tonnage also declined, totalling 249,285 for 1932, as against 343,326 in 1931.

Basic Position Sound

Though earnings of B. C. Power Corp. have not advanced, the basic position of the company is regarded as being sound. Conditions at the present time are not conducive to increasing sales or revenues. The long term outlook of the company is regarded as satisfactory. The area served by the company is looked upon as having more favorable prospects than probably any other existing in the Dominion and on that account the future of B. C. Power Corp. is regarded with equanimity.

Capitalization—

	Authorized	Outstanding
Class "A" pfd.	1,500,000 sh.	1,000,000 sh.
Class "B" No par value.	1,500,000 sh.	1,000,000 sh.

Funded Debt—

1st refund. coll. trust S. F. bonds, series "A," 5½'s, due 1960, outstanding, $10,000,000. Series "B," 5%, due 1960, outstanding $4,000,000.

Dividend Record—

Class "A" $2 per share per annum, payable quarterly, Jan., Apr., July and Oct. 15.

Class "B." None paid.

Officers and Directors—

Officers—W. G. Murrin, pres.; A. T. Goward and J. I. Newell, vice-pres.; E. H. Adams, vice-pres. and treas.; E. Rogers, sec.

Directors — G. Kidd, W. G. Murrin, W. J. Blake-Wilson, Vancouver, B.C.; A. T. Goward, Hon. Sir F. S. Barnard, Victoria, B.C.; Sir H. S. Holt, A. J. Nesbitt, P. A. Thomson, J. B. Woodyatt, S. Godin, Jr., Montreal; J. H. Gundy, Toronto; C. E. Calder, New York City; Rt. Hon. Viscount Rothermere, A. P. Holt, J. Davidson, London, Eng.

Year End. June 30:	1932	1931	1930
Times Fixed Charges Earned:			
Before deprec.	2.54	2.66	2.93
After deprec.	1.80	1.94	2.04
Earnings per Share and Dividend Record:			
Class "A": Earned	$2.01	$2.44	$2.19
Earned	2.005	2.22	2.10
Paid	2.00	2.00	2.00
Class "B": Earned*	0.005	0.22	0.10
None paid.			

*After taking participation feature into consideration.

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Class "A"	28	15	42½	26	45½	32
Class "B"	7½	3¾	18	7	26½	10½

B. C. ELECTRIC RAILWAY
(Controlled by British Columbia Power Corporation)

Capitalization—

	Authorized	Outstanding
Cum. perpetual pref. 5%	£1,440,000	£1,440,000
Non-cum. pref. ordinary 5%	1,440,000	1,440,000
Deferred ord. 7% non-cum.	1,440,000	1,440,000
Ordinary Par £1.	2,000,000	966,103

Parent company holds 99.95 per cent of the preferred ordinary, deferred ordinary and ordinary shares, outstanding, of the company's stock.

Funded Debt—

Perp. Cons. deb. stock, 4½% .. £2,788,170

Van. Pr. perp. guar. deb. stock, 4½% ... 1,500,000

Deb. 4½% Van. Pr. due 1953 .. 32,500

Dividend Record—

Preferred—5 per cent, cumulative, payable semi-annually on 15 Jan. and July.

Officers and Directors—

Officers—W. G. Murrin, pres.; E. H. Adams and J. I. Newell, vice-pres.; J. V. Armstrong, sec.

Directors — E. H. Adams, chm.; J. I. Newell, W. Saville, E. W. Arnott, Vancouver.

B. C. ELECTRIC POWER & GAS
(Controlled by B. C. Electric Railway)

Capitalization—

	Authorized	Issued
Pref. 6% cum. Par $100.	$5,000,000	$5,000,000
Common Par $1.	20,000,000	*15,248,012

*Entirely owned by parent company.

Dividend Record—

Preferred—6 per cent cumulative, payable quarterly on 1 Jan., April, July and Oct.

Officers and Directors—

Officers—W. G. Murrin, pres.; A. T. Goward, 1st vice-pres.; E. H. Adams, 2nd vice-pres.; J. V. Armstrong, sec.

Directors—W. G. Murrin, E. H. Adams, J. I. Newell, Sir F. S. Barnard, V. Laursen, F. R. Glover, W. Saville, Vancouver; A. T. Goward, Victoria.

VANCOUVER POWER CO.
(Controlled by British Columbia Electric Power & Gas Co., a unit of the British Columbia Power Corp.)

Capitalization—

	Authorized	Outstanding
Common Par $1.	$9,500,000	$9,500,000

Entire issue held by parent company.

Funded Debt—

The funded debt of the company is guaranteed by the British Columbia Electric Railway Co. For details see under funded debt of B. C. Electric Railway.

Officers and Directors—

Officers—W. G. Murrin, pres.; E. H. Adams and J. I. Newell, vice-pres's.; J. V. Armstrong, sec.

Directors—W. G. Murrin, E. H. Adams, J. I. Newell, W. Saville, F. R. Glover, all of Vancouver.

WESTERN POWER
(Controlled by the Vancouver Power Co., a unit in the B. C. Power Corp.)

Capitalization—

	Authorized	Outstanding
Common	$5,000,000	$5,000,000
Preferred	5,000,000	850,000

Par $100. The Vancouver Power Co. owns 99.7% of the entire preferred and common stock outstanding.

Funded Debt—

1st mtg., 5% due 1949	$5,000,000	$4,109,900
5½% deb., due 1960	†$4,000,000	$4,000,000

†All pledged as collateral for bonds of B. C. Power Corp.

Officers and Directors—

Officers—W. G. Murrin, pres.; E. H. Adams, vice-pres. and compt.; J. I. Newell, vice-pres. and mgr. of plant; J. V. Armstrong, sec.; A. C. W. Gage, pur. agent.

Directors—W. G. Murrin, E. H. Adams, J. I. Newell, F. R. Glover, V. Laursen, W. Saville, E. W. Arnott, Vancouver.

FOREIGN POWER

Affiliated with Power Corp.

Conditions surrounding Foreign Power Securities Corp. have not been too favorable over the past twelve months. Dividends on the company's capital stock have been passed and while interest charges are being paid, they were unearned in the fiscal year 1932.

This company is a holding organization with heavy investments in various French public utilities.

The two principal items of interest to investors in a company of this type are the market value of securities held and earning power. At October 31 last the company had book investments of $11,395,580. The market value of these holdings, including certain unquoted securities at cost, was $6,802,237, of which $2,631,189 represented the cost of unquoted securities. The equity behind each $1,000 of bonds has dropped to $1,611; behind each $100 of preferred stock to $53.32. There is no equity back of the common.

Net earnings available for bond interest last year totalled $279,449, or 0.85 times bond interest requirements. In 1931 bond interest was earned 1.92 times; in 1930, 2.45 times and in 1929, 6.61 times.

Capitalization—

	Authorized	Outstanding
Pref. 6% Par $100.	$5,000,000	$5,000,000
Common No par value.	*250,000 sh.	125,000 sh.

* 90,000 of the unissued shares are reserved for the conversion of the bonds.

Funded Debt—

First collateral trust 6 per cent convertible, series "A," due 1949, outstanding $4,365,500.

As at June 30, 1931, Power Corp. of Canada held $403,000 bonds, $386,800 preferred and 41,711 common shares.

Dividend Record—

Preferred—6 per cent cumulative participating, payable Feb., May., Aug. and Nov. 15. Initial dividend paid Aug. 1, 1927; paid regularly thereafter to Aug., 1932, when deferred; none since.

Common—An interim dividend of $1 per share paid Jan. 20, 1930. None since.

Officers and Directors—

Officers—A. J. Nesbitt, pres.; J. B. Woodyatt, vice-pres.; L. C. Haskell, sec.; C. Johnstone, treas.; V. J. Nixon, asst. sec.; T. Irving, asst. treas.

Directors—A. J. Nesbitt, J. B. Woodyatt, P. A. Thomson, L. C. Haskell, E. R. Parkins, G. M. Todd, all of Montreal.

	1932	1931	1930
Times Interest Earned ..	0.85	1.92	2.45
Earnings per Share and Dividend Record:			
Preferred: Earned	nil	$5.40	*$8.38
Paid	3.00	6.00	6.00
Common: Earned	nil	nil	*0.95
Paid	nil	nil	1.00

* Before provision for income tax.

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Common	3⅛	1½	15	5	37	10

SOUTHERN CANADA

Earnings During Current Year Show Small Increase

Affiliated with Power Corp.

Southern Canada Power Corp., affiliated with Power Corp. of Canada, has been able to show a moderate increase in net earnings during the current year, while for the fiscal year ended September last revenues were sufficient to cover all charges, including the regular dividend on the common stock, with a deficit of only $11,180.

Over the last three years Southern Canada Power has shown stability of earnings as a result of a policy adopted some time earlier by the management, in diversifying industrial activity in its territory. The company has long been noted for its activity in securing new industries. The majority are small, but the diversity of activity has provided a considerable degree of stability of industrial operations which in turn is reflected in domestic service.

Like other companies in the Power Corp. group, Southern Canada has been active in selling its stock to customers. Between 1922 seven customer stock ownership campaigns were conducted, while the eighth was carried out last year when $329,200 of preferred stock was sold.

During the first four months of the current fiscal year ended January 1933 gross income amounted to $757,180 compared with $798,532 for the same period of the previous year. Operating expenses were reduced from $296,945 to $250,565, leaving net income of $506,615, an increase of $5,016.

Capitalization—

	Authorized	Outstanding
Pref. 6% cum. Par $100.	$10,000,000	$7,088,900
Common No par value.	500,000 sh.	400,000sh.

Funded Debt—

1st mtge. bonds, 5 per cent, due 1955, series "A" outstanding $6,000,000.

Dividend Record—

Preferred—Six per cent per annum, payable quarterly, 15 Jan., April, July and Oct. Paid regularly since initial dividend April, 1920.

Common—Present rate $1 per annum, payable quarterly, Feb., May, August and Nov. 15.

Initial payment on new stock made Feb. 15, 1929, of 25 cents per share and regularly thereafter.

Officers and Directors—

Officers—J. B. Woodyatt, pres. and gen. mgr.; J. M. Robertson, J. S. H. Wurtele, P. T. Davies, vice-pres.; L. C. Haskell, sec.; C. Johnstone, treas.; V. J. Nixon, asst. sec., and T. Irving, asst. treas.

Directors—J. Davidson, J. M. Robertson, A. J. Nesbitt, P. A. Thomson, J. B. Woodyatt, P. T. Davies, J. S. H. Wurtele, Montreal, Que.; R. R. Moodie, Hamilton, Ont.; W. K. Baldwin, Baldwins Mills, Que.; W. H. Miner, Granby, Que.; Hon. G. Parent, Quebec, Que.; J. S. Gillies, Braeside, Ont.

Years End. Sept. 30:	1932	1931	1930
Times Interest Charges Earned:			
Before deprec.	3.74	3.99	4.12
After deprec.	3.15	3.84	3.46
Earnings per Share and Dividend Record:			
Preferred: Earned	$11.33	$12.41	$14.25
Paid	6.00	6.00	6.00
Common: Earned	0.94	1.09	1.22
Paid	1.00	1.00	1.00

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Pref.	90	60	106½	104	107	103½
Common	25½	10	32	22½	37½	24

SHERBROOKE RAILWAY
(Controlled by Southern Canada Power)

Capitalization—

	Authorized	Outstanding
Common Par $100.	$1,500,000	$1,127,000

Southern Canada Power owns $1,117,500 of the outstanding capital stock. No dividends paid.

Funded Debt—

Sherbrooke Street Railway, 1st mtge., 5% bonds, due 1927*, outstanding $100,000.

Sherbrooke Rly and Power, 1st mtge., 5% bonds, due 1940, outstanding $614,500. Consolidated gold bonds, 6% due 1940†, outstanding $500,000.

*Entire issue held in escrow.

†Outstanding deposited as collateral security for loans.

Officers and Directors—

Officers—J. B. Woodyatt, pres. and gen. mgr.; L. C. Haskell, vice-pres. and sec.; C. Johnstone, treas. and compt.; V. J. Nixon, asst. sec.; T. Irving, asst. treas., Montreal.

Directors—V. J. Nixon, A. J. Nesbitt, J. B. Woodyatt, L. C. Haskell, C. Johnstone, T. Irving, Montreal.

CANADA NORTHERN

Gold Mining Activity Proves Beneficial to Company

Controlled by Power Corp.

Canada Northern Power Corp., controlled by Power Corp. is one of the few utilities companies in Canada to report a larger production and increased revenues for 1932 in comparison with 1931. The excellent showing made by this company is primarily due to the fact that the majority of its output is marketed in the Northern Ontario mining area, wherein gold mine properties have been particularly active over the past year or two.

Gold production has steadily increased and the increased milling has in turn brought about a greater demand for power. Inasmuch as Canada Northern Power supplies virtually every major gold producer in the Northland, the company has not had to contend with the problems experienced by other utilities serving more industrialized territories.

Expect Larger Revenue

Financial returns of Canada Northern for 1932 are not available, but the forthcoming report is expected to show both gross and net earnings at a higher point than ever before in the company's history. Preliminary estimates of common stock earnings place the figure at close to $1 as compared with current dividends of 80c. a share.

See New Competition

An important development affecting the position of Canada Northern Power took place last year, when the Ontario Government took over the Abitibi Canyon project sponsored by Abitibi Power and Paper Co. This development will have an installed capacity of nearly 300,000 h.p. and with no market for the power of any importance. The problem of securing an outlet for this power and so put the enterprise on a paying basis has been engaging the close attention of the Ontario Hydro-Electric Power Commission, which has been given the task of managing the new property.

The first step in making a market for the Abitibi Canyon was an attempt by the commission to break into the Quebec market. A proposal was put forward to supply the Beattie mine in Quebec with power. This move was contested by Canada Northern Power, in whose territory the Beattie mine is located. With the assistance of the Quebec Government, Canada Northern was successful in staving off this competition.

The matter does not end there, for it is to be expected that when new contracts are being considered by any of the mine operators or towns in Northern Ontario, Ontario Hydro will make every effort to secure the business. Canada Northern is at a disadvantage in meeting this competition for two reasons. First, the commission will be willing to take the business at very low cost in order to secure a market, and secondly, no taxes are paid by the government-owned property.

As far as existing power purchases by the mines are concerned, Canada Northern has little to fear as all contracts are for the life of the mine. On new business, however, Canada Northern will be exposed to the full competition of the commission.

Capitalization—

	Authorized	Outstanding
Common No par value.	500,000 sh.	375,000 sh.
Cum. pref. 7% Par $100.	$7,500,000	$5,500,000

Funded Debt—

Collateral trust 5 per cent bonds series "A," due 1953 ... $17,000,000

Dividend Record—

Preferred—$7 per annum, cumulative, payable Jan., April, July and Oct. 15.

Common—80c. per share per annum, payable quarterly, Jan., April, July and Oct. 25.

Officers and Directors—

Officers—A. J. Nesbitt, pres.; J. B. Woodyatt, vice-pres.; B. V. Harrison, vice-pres. and gen. mgr.; L. C. Haskell, sec.; C. Johnstone, treas.; H. A. Seymour, asst. sec.-treas.; V. J. Nixon, asst. sec.; F. D. Lamont, asst. treas.

Directors—A. J. Nesbitt, J. B. Woodyatt, P. A. Thomson and N. A. Timmins, Montreal; D. McLachlin, Arnprior; Maj.-Gen. The Hon. S. C. Mewburn, Hamilton; J. H. Black, Toronto; F. O. Blackwell, New York; B. V. Harrison, New Liskeard, Ont.

Times Interest Earned:	1931	1930	1929
Before deprec.	2.53	2.66	2.66
After deprec.	1.86	1.92	1.92
Earnings per Share and Dividend Record:			
Pref.: Earned†	$12.00	$11.61	$10.80
Paid	7.00	7.00	7.00
Common: Earned‡	0.75	0.68	0.56
Paid	0.80	0.60	0.15

†After all dividends of subsidiaries and after deduction of minority interest in surplus of subsidiaries.

‡After all preferred dividends of parent company and subsidiaries and after deduction of minority interest in surplus of subsidiaries.

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Pref.	92	52½	107	104	107	99
Com.	17	9	25½	15	21	14

NORTHERN ONTARIO POWER
(Controlled by Canada Northern Power)

Capitalization—

	Authorized	Outstanding
Common No par value.	500,000 sh.	240,014 sh.
Pref. 6% Par $100.	$2,500,000	$2,499,300

$977,200 preferred and 234,217 shares of common are pledged under the 5 per cent Collateral Trust S. F. Series "A" bonds of Canada Northern Power Corp.

Funded Debt—

	Outstanding
6% Deb. Notes, due 1953* (Northern Ontario Power)	$3,500,000
6% Deb. Notes, due 1953* (Northern Ontario Power)	2,250,000
6% Deb. Notes, due 1953* (Northern Ont. L. & P.)	5,000,000
6% Deb. Notes, due 1953* (Northern Ont. L. & P.)	515,000

*Issued in favor of the Canada Northern Power. The first two issues are pledged under that company's 5 per cent Collateral Trust S. F. Series "A" bonds.

Dividend Record—

Preferred—6 per cent per annum, payable quarterly, Jan., Apr., July and Oct. 25.

Common—$2 per annum, payable Jan., April, July and Oct. 25.

Officers and Directors—

Officers—A. J. Nesbitt, pres.; J. B. Woodyatt, vice-pres.; B. V. Harrison, vice-pres. and gen. mgr.; L. C. Haskell, sec.; C. Johnstone, treas.; H. A. Seymour, asst. sec.-treas.; V. J. Nixon, asst. sec.

Directors—A. J. Nesbitt, J. B. Woodyatt, L. C. Haskell, E. R. Parkins, P. A. Thomson, B. V. Harrison, New Liskeard, Ont.

NORTHERN QUEBEC POWER
(Controlled by Canada Northern Power)

Capitalization—

	Authorized	Outstanding
Common† No par value.	20,000 shs.	20,000 shs.

†19,995 shares are pledged under Canada Northern Power Corp., 5 per cent Coll. Trust S. F. Series "A" bonds.

Funded Debt—

1st mtge. 6% Series "A" bonds, due 1945, outstanding $2,650,000; 6% deb. notes, due 1953, outstanding $2,350,000.

All owned by the Canada Northern Power Co. and pledged under its 5 per cent Collateral Trust S. F. Series "A" bonds.

Officers and Directors—

Officers—J. B. Woodyatt, pres.; B. V. Harrison, vice-pres. and gen. mgr.; L. C. Haskell, sec.; C. Johnstone, treas., Montreal; H. A. Seymour, asst. sec.-treas.; V. J. Nixon, asst. sec.

Directors—A. J. Nesbitt, E. R. Parkins, P. A. Thomson, J. B. Woodyatt, L. C. Haskell, Montreal.

Import Electrical Apparatus

Imports of electrical apparatus and supplies into Canada during 1931 had a value of $16,775,208 as compared with $30,281,152 in 1930. Radio and wireless apparatus accounted for $4,784,512; electric motors, $1,913,264; telephone apparatus, $1,515,102; switches and switchboards, $960,124; lighting fixtures, $825,000; batteries, $575,570; transformers and parts, $526,040.

MANITOBA POWER

Loss of Market Has Effect on Earning Power

Subsidiary of Wpg. Electric

Operations and earnings of Manitoba Power Co., controlled by Winnipeg Electric Co., were adversely affected during the past year owing to closing down of the Pine Falls mill of the Manitoba Paper Co., one of the company's principal outlets for power.

Operations of Manitoba Power are confined to wholesale production. The total output is disposed of through five or six channels. The parent company, Winnipeg Electric, has contracted for power supply until 1943; Central Manitoba Mines has contracted for a block of power to be delivered over a period of several years; and the City of Winnipeg for 30,000 h.p. in 1931 and for five years thereafter, at which time it diminishes to 10,000 h.p. per year. Manitoba Paper also had a 10-year contract but owing to the fact that this company went into receivership, contract has not been fulfilled.

Interest is Limited

Interest in this company is limited except in so far as operations affect the parent company. In this connection Manitoba Power prior to 1931 provided Winnipeg Electric with a substantial income each year in the form of dividends.

Though revenues of Manitoba Power have been restricted, the company continues to pay its interest charges in American funds. It might also be pointed out that the bonds are guaranteed as to principal and interest by Winnipeg Electric but this guarantee is of little value, inasmuch as the parent company was unable to live up to a similar guarantee in connection with the bonds of another subsidiary, namely, Northwestern Power Co.

Capitalization—

	Authorized	Outstanding
Common No par value.	200,000 shs.	*150,000 shs.

*Winnipeg Electric holds 90.3 per cent of the stock.

Funded Debt—

1st mtge. 5½ per cent bonds, series "A," due 1951, outstanding $10,000,000‡; 1st mtge. 5½ per cent series "B," due 1952, outstanding $2,500,000‡.

‡Guaranteed by Winnipeg Electric Co.

Dividend Record—

Common—None at present. Last paid $1 Aug. 1, 1930.

Officers and Directors—

Officers—E. Anderson, pres. and gen. mgr.; W. R. Bawlf, vice-pres.; W. E. Blodgett, treas.; L. Palk, sec.; S. N. Currie, G. T. McIntosh, asst. secs.

Directors—E. Anderson, W. R. Bawlf, W. J. Bulman, J. B. Coyne, N. J. Breen, Winnipeg; A. J. Nesbitt, P. A. Thomson, J. B. Woodyatt, Montreal; S. L. Fuller, New York.

Year End. Dec. 31:	1930	1929	1928
Times All Interest Earned:			
Before deprec.	1.67	1.67	1.78
After deprec.		1.54	1.55
Earnings per Share and Dividend Record:			
Earned	$1.97	$1.90	$2.65
Paid	1.00	2.00	2.50

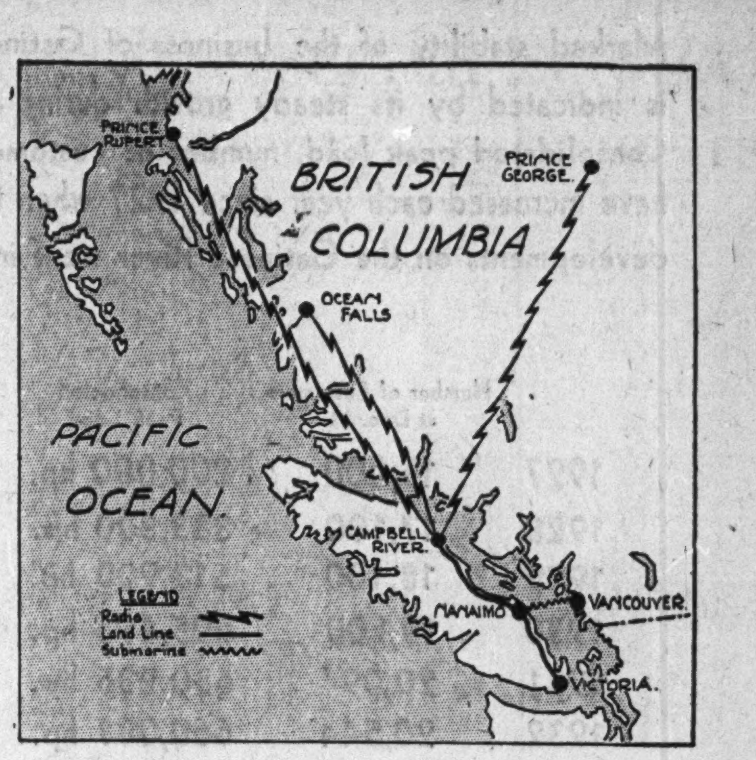
Times All Int. Earn.:	1931	1930	1929
Before deprec.	1.52	1.67	1.67
After deprec.	1.39	1.54	1.55
Earnings per Share and Dividend Record:			
Common: Earned	$1.33	$1.97	$1.90
Paid	nil	1.00	2.00

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Common	5	6½	..	..	54	20

Production is Varied

Electrical apparatus manufactured in Canada in 1931 included, among a great many other items, 14,152 refrigerators; 68,371 electric clocks; 75,903 toasters; 3,886 percolators; 138,045 flat irons; 18,205,931 standard lamps; 7,255,194 miniature size lamps and 3,297,007 radio tubes.



Showing how radio links reach distant communities

Radio Leaps Gaps

Brings telephone service to isolated B.C. points

Leaping across spaces where it would not be economically feasible to place telephone wires, radio waves are bringing long-distance telephone service to a number of isolated communities in British Columbia.

Consider Prince Rupert, for instance. This town lies about 500 miles up the coast from Vancouver. The intervening coastline is mountainous and is slashed by many inlets. The cost of building a line would be too high, so a 400-mile radio link was established between the network of lines in southern B. C. and the telephone system at Prince Rupert. The same was done with the paper-mill town of Ocean Falls and the community of Prince George.

The latest step has been to give long-distance service, by means of a 100-mile radio link, to a floating logging camp that lies in the curve of one of the innumerable bays at a lonely spot up-coast.

B.C. TELEPHONE COMPANY

Electric Light and Power

Street Railway

Gas Heating and Lighting

A reliable, old established company giving assured service at the lowest rates

❦

Our engineering service is always at the disposal of our patrons or prospective patrons, and we shall be very pleased to furnish information or assistance.

NEW BRUNSWICK POWER COMPANY

SAINT JOHN, NEW BRUNSWICK

PROGRESS

Marked stability of the business of Gatineau Power Company is indicated by its steady growth during a depression period. Consolidated peak load, number of customers, and net earnings have increased each year since 1927 when the Company's initial developments on the Gatineau River went into operation.

	Number of Customers at Dec. 31	Consolidated Peak Load	Net Revenue Before Interest, Depreciation, and Dividends
1927	15,000	200,000 hp.	$1,289,000
1928	17,100	383,300 hp.	$2,763,000
1929	18,100	518,900 hp.	$4,839,000
1930	19,100	605,495 hp.	$6,819,000
1931	20,094	650,235 hp.	$7,659,000
1932	20,544	660,087 hp.	$8,364,000*

*Twelve months ended Sept. 30, the latest published figure.

In its latest published earnings' statement, for the twelve months ended September 30, 1932, the Company reported that consolidated net revenue available for interest and depreciation was $8,363,907, an increase of $1,045,226, or fourteen per cent., over the figure for the preceding twelve months, and two and one-third times the interest on the Company's first mortgage 5% gold bonds and prior liens. After deducting this interest, the balance of earnings was $4,818,605, or four and three-tenths times the interest on the 6% gold debentures of the Company.

◆ ◆

The major portion of the power sold by the company on long term primary power contracts is now being delivered. There still remains, however, 71,472 horsepower which is at present being sold at comparatively low rates for the production of steam. This power can, for the most part, be delivered as primary power from existing plants with relatively little additional capital expenditure or increase in operating cost. Earnings from operations should therefore be on a gradually increasing scale for the next several years as this power is absorbed at primary power rates.

◆ ◆

The company serves over 20,000 customers in 130 municipalities, in an area of 5,000 square miles, and having a population of 220,000.

◆ ◆

The territory along the Ottawa River between the city of Hull and the Island of Montreal, served by Gatineau Power Company, provides an excellent location for manufacturing establishments or branch plant development. Market studies and industrial information regarding this territory will be supplied without obligation on request from manufacturers and others comtemplating the erection of plants.

Gatineau Power Company

Ottawa Ontario

WINNIPEG ELECTRIC

No Improvement in Position Reported by Mid-West Utility Operator — Many Problems Remain to be Solved by Company

Affiliated with Power Corp. of Canada

Unsatisfactory conditions continue to surround Winnipeg Electric. Assumption of heavy contingent obligations (which have turned into actual obligations) together with a decline in operations and mounting losses on its tram system, has materially weakened the position of this company.

There are three factors to consider in examining the current position of Winnipeg Electric. First is in respect to its subsidiaries. Winnipeg Electric fostered Manitoba Power and Northwestern Power. In both cases the parent company guaranteed principal and interest on the bonds of the subsidiaries. Manitoba Power has been able to carry itself to date, but the loss of a market for its power with Manitoba Paper Co. is likely to have an important bearing on its financial position over the next few years.

Fail to Guarantee

The situation in respect to Northwestern Power is more serious. Last year Northwestern was not able to fulfill its contractual obligations under the trust deed securing its first mortgage bonds. It is a moot point whether conditions ever justified the formation of this company and the development of the Seven Sisters power site. The important point now, however, is that Winnipeg Electric is unable to meet its guarantee. A bondholders protective committee has been formed and is presently engaged in working out a plan of reorganization for submission to the bondholders. This plan will have an important bearing on the future prospects of Winnipeg Electric.

Tram System Drops

The second factor of importance relates to Winnipeg Electric's tramway system. The trams have been conducted at a loss for some time. Strenuous efforts have been made by the management to seek relief from the terms of the franchise, which call for payment of a percentage of gross receipts, snow removal, paving and other charges to the city. In addition a larger fare is sought. Little progress has been made, the city contending that the company has to live up to its contracts. The company in turn has threatened to abandon the greater part of the lines. Negotiations are more or less deadlocked.

Jockey for Position

The third factor is the move to have Winnipeg Electric buy out the municipal light and power system, or to have the city take over the company. There is little prospect of either of these plans working out. In the first place the city is not in a position to assume such an obligation as proposed by Winnipeg Electric, and secondly, the city does not favor parting with its own system.

It will take time for these and other matters to be cleared up. Meanwhile the immediate outlook for Winnipeg Electric cannot be considered as encouraging.

Capitalization—	Authorized	Outstanding
Pref. 7%	$5,000,000	$5,000,000
Pref. 6%	$5,000,000	None
Par $100.		
Common	500,000 shs.	244,472 shs.
No par value.		

Funded Debt—

Winnipeg Electric 5 per cent refund. mtge. stock or bonds, due 1954, outstanding $4,380,000; 6 per cent refund. bonds, due 1954, $7,000,000.

Winnipeg Electric Rly. 5 per cent 1st refund. mtge. bonds, due 1935, outstanding $5,000,000.

Dividend Record—

Preferred—$7 per annum, cumulative, payable Jan., April, July and Oct. 1. Paid regularly to and including Oct. 1, 1931, since passed.

Common—None at present. Former rate was $2 per annum, payable half-yearly, Feb. and Aug. 1. Dividend due Feb. 1, 1931, was passed and none paid since.

Officers and Directors—

Officers—E. Anderson, pres. and gen. mgr.; W. R. Bawlf, vice-pres.; W. E. Blodgett, vice-pres. i/c finance and accounts; C. H. Dahl, vice-pres. i/c operation; L. Palk, vice-pres. i/c executive matters and sec.; J. S. Mackenzie, treas.; S. N. Currie, G. T. McIntosh, asst. secs.

Directors—E. Anderson, W. R. Bawlf, J. B. Coyne, W. J. Bulman, N. J. Breen, Winnipeg; P. A. Thomson, A. J. Nesbitt, Montreal; S. L. Fuller, New York; W. H. Carter, Winnipeg; J. B. Woodyatt, A. J. Thomas, Montreal; J. A. McPhail, Sault Ste. Marie, Ont.

Times All Int. Earned:	1931	1930	1929
Before deprec.	2.27	2.56	3.08
After deprec.‡	1.71	2.01	2.50

‡Including additional depreciation.

Earnings per Share and Dividend Record:			
Preferred: Earned	$5.26	$11.46	$19.39
Paid	5.25	7.00	7.00
Common: Earned*..	nil	0.92	2.70
Paid	nil	1.00	2.00

*Before allowing for sinking fund reserve which the company treats as an appropriation after preferred and common dividends.

Market Record—

	1932		1931		1930	
	H	L	H	L	H	L
Common ..	8	2	21¼	4	54	13¾
Preferred .	20	6	81½	49	104½	80

SUBURBAN RAPID TRANSIT
(Entirely owned by Winnipeg Electric)

Capitalization—	Authorized	Outstanding
Common	$100.000	$100,000
Par $100.		

All owned by Winnipeg Electric.

Funded Debt—

1st mtge. bonds, 5 per cent, due 1938, issued $500,000. Guaranteed by Winnipeg Electric.

Officers and Directors—

Officers—E. Anderson, pres. and gen. mgr.; W. R. Bawlf, vice-pres.; W. E. Blodgett, compt.; L. Palk, sec.; J. S. Mackenzie, treas.

Directors—E. Anderson, W. R. Bawlf, W. J. Bulman, N. J. Breen, J. B. Coyne, Winnipeg; J. B. Woodyatt, Montreal.

WINNIPEG, SELKIRK & LAKE WPG.
(Entirely owned by Winnipeg Electric)

Capitalization—	Authorized	Outstanding
Common	$490,000	$490,000
Par $100.		
Preferred	10,000	10,000
Par $10.		

Practically all of the $490,000 common is owned by Winnipeg Electric Co.

Funded Debt—

1st mtge. bonds, 5 per cent, due 1933, outstanding $50,000. Guaranteed by Winnipeg Electric Co.

Officers and Directors—

Officers—E. Anderson, pres.; W. R. Bawlf, vice-pres.; W. E. Blodgett, treas.; L. Palk, sec.; J. S. Mackenzie, treas.

Directors—E. Anderson, W. R. Bawlf, W. H. Carter, W. J. Bulman, J. B. Coyne, Winnipeg; J. B. Woodyatt, Montreal.

NORTHWESTERN POWER
(Controlled by Winnipeg Electric)

Capitalization—	Authorized	Outstanding
Common	250,000 shs.	250,000 shs.
No par value.		
Pref. 6%	$1,000,000	$1,000,000
Par $100.		

The entire issue of preferred and 88 per cent of the common stock is owned by Winnipeg Electric Co.

Funded Debt—

1st mtge. bonds, series "A," 6 per cent, due 1960, outstanding $10,000,000. Guaranteed by Winnipeg Electric Co.

Officers and Directors—

Officers—E. Anderson, pres. and gen. mgr.; W. R. Bawlf, vice-pres.; W. E. Blodgett, treas.; L. Palk, sec.; S. N. Currie, G. T. McIntosh, asst. secs.

Directors—E. Anderson, W. R. Bawlf, W. J. Bulman, J. B. Coyne, N. J. Breen, Winnipeg, Man.; A. J. Nesbitt, P. A. Thomson, J. B. Woodyatt, Montreal, Que.; S. L. Fuller, New York.

NEW BRUNSWICK POWER

Earnings Show Declines — Preferred Dividend Omitted

Earnings of New Brunswick Power Co. in the past two years have shown declines, and latest official figures which cover the first five months of 1932 showed interest charges earned by a narrow margin before depreciation. In 1931 net profits were not sufficient to cover preferred dividends, and the disbursement was omitted at the beginning of 1932.

Dividends on the 7 per cent preferred have not been paid at the regular rate since 1925, but a regular payment of 4 per cent was maintained until the end of 1931. The stock is cumulative, and arrears to date now total 33 per cent.

New Brunswick Power supplies all the public utility services in Saint John, operating power, lighting, tramways and gas departments. Power is obtained from a 17,000 h.p. steam-electric unit while the company has an agreement with the New Brunswick Electric Power Commission for standby service.

Operates Train Service

The company owns and operates 22 miles of street railway track in Saint John, East and West Saint John, Fairville, Glen Fall and vicinity, while rolling stock numbers 34 closed cars. There is also a gas plant of 200,000 cu. ft. daily capacity in Saint John; this unit also produces a by-product coke for domestic and commercial purposes.

Control of New Brunswick Power lies with Federal Light and Traction Co., which assumed a dominating interest in the company's affairs in 1923. Earnings in recent years have shown gradual expansion, but have been quick to reflect effects of adverse business conditions. Balance sheet at the end of 1931 showed a substantial sum owing to the parent company. Notes and accounts payable amounted to $1,761,749 which represents advances by Federal Light to take care of capital expenditures.

Capitalization—	Authorized	Outstanding
Common	20,000 sh.	20,000 sh.
No par value.		
1st pref. cum. 7%	$3,500,000	$1,000,000
2nd pf. 7% cum.	1,500,000	350,000
Par $100.		

Funded Debt—

First gold 5% bonds, due 1937	$5,000,000	$1,753,000

Dividend Record—

1st Preferred—Entitled to 7 per cent per annum payable quarterly, March, June, Sept. and Dec. 1. Paid at rate of 4% from Mar. 1, 1927 to Dec. 1, 1931; none since. 2nd Preferred—Entitled to 7% per annum, cumulative. In arrears 71½ per cent as at March 1, 1933.

Common—None paid.

Officers and Directors—

Officers—E. N. Sanderson, pres.; A. E. Reynolds, vice-pres. and gen. mgr.; John A. Olive, sec.-treas.; H. G. Townsend, asst. sec.-treas.

Directors—E. N. Sanderson, New York; W. C. Allison, W. E. Golding, J. L. McAvity, A. P. Paterson, R. Sullivan, A. E. Reynolds, J. G. Harrison, James MacMurray, W. E. Scully, Saint John, N.B.; L. C. Gerry, Providence, R.I.

Years End. Dec. 31	1931	1930	1929
Times Bond Interest Earned:			
Before deprec. ...	*1.45	3.15	2.81
After deprec.	*1.04	2.70	2.37

*Including other interest.

Earnings per Share and Div. Record:	1931	1930	1929
First pref.: Earned	$0.66	$6.88	$7.96
Paid	4.00	4.00	4.00
2nd pref.: Earned	...	...	*2.76
Paid	...	...	...

*After deducting full year's dividend on first pref. but not taking arrears into consideration.

Apparatus Worth $81,500,000

Electrical apparatus and supplies produced in Canada during 1931 had a value of $81,578,595. This covers firms primarily engaged in the manufacture of equipment for use in the generation, transmission and utilization of electricity.

MONTREAL ISLAND POWER

Montreal Power Secures Majority of Bonds in Exchange

Controlled by Montreal Power

Montreal Island Power now ranks as a subsidiary of Montreal Light, Heat and Power Co. When this enterprise came into being, a substantial stock interest was acquired by Montreal Power in conjunction with Power Corporation of Canada. The latter undertook the construction of the dam and power plant, while operations came under the control of the former.

By the end of 1931, the majority stock had come under the control of Montreal Power and last year an offer was made to bondholders to exchange their securities for bonds of Montreal Power. A majority accepted this offer.

No Dividends in Sight

Revenues of Montreal Island Power have come up to expectations, but there does not appear to be any immediate prospects of initiating dividends on the preferred or common stock. While income has been sufficient to cover bond interest, the balance to date has not provided adequately for depreciation.

Capitalization—	Authorized	Outstanding
Common	100,000 shs.	75,000 shs.
No par value.		
Preferred	$1,000,000	$1,000,000
Par $100.		

Funded Debt—

1st mtge. 5½% bonds, series "A," due 1957, outstanding $9,250,000.

Dividend Record—

Preferred—$6 per annum, cumulative from Jan. 1, 1928, and payable quarterly. No dividends have been declared as yet.

Common—None paid.

Officers and Directors—

Officers—J. S. Norris, pres.; C. S. Bagg, vice-pres.; G. R. Whatley, sec.; C. C. Parkes, asst. sec.; P. C. Drake, treas.; A. N. Saint-Marie, asst. treas.

Directors—Sir H. S. Holt, G. Caverhill, J. S. Norris, G. H. Montgomery, S. Godin, Jr., J. C. Smith, Hon. J. M. Wilson, all of Montreal.

Times Fixed Charges Earned:	1932	1931
Before depreciation	1.16	1.09

Market Record—

	1932		1931		1930	
	H	L	H	L	H	L
Common ..	11	5	20	14	39	25

CONS. UTILITIES

Company Makes Gradual Progress Under New Management

Formed in 1930 as a reorganization of Municipal Service Corp. which got into financial difficulties in 1929, Consolidated Utilities has made some progress in recent years. Various properties of the old company were sold and a complete reorganization of capital structure was undertaken.

Properties retained include Amos Water and Power Co. and a grain and lumber business at Huntingdon. Latest figures available (at the end of 1931) showed a mortgage of 10,000 on the Huntingdon property. There were also outstanding $75,000 of first mortgage bonds of Amos Water and Power Co. on which interest is guaranteed by the parent organization.

Capitalization—	Authorized	Issued
1st pref. non-cum. ..	$320,000	$306,480
Par $40.		
Management, n.p.v.	5 shs.	5 shs.
Common, n.p.v. ..	19,995 shs.	7,682 shs.

Funded Debt—

1st mtge. 7 per cent gold bonds of Amos Water & Power Co., due 1933, outstanding $75,000.

Amos Water & Power

Sub. of Consolidated Utilities

Amos Water and Power Co. is a subsidiary of Consolidated Utilities and owns and operates an electric light and power plant at Amos, in the Abitibi district of Northern Quebec. An exclusive franchise is held until 1943.

The $75,000 of first mortgage bonds of this company matured on June 1, 1930, but bondholders agreed to an extension of their due date until Dec. 1, 1933.

Capitalization—	Authorized	Issued
Capital stock	$90,000	$50,000
Par $100.		

JAMAICA PUBLIC SERVICE

Earnings Equal $1.50 a Share During Past Year

Earnings of Jamaica Public Service declined slightly in 1932 but preliminary figures indicate that net profits were equal to $1.50 a share compared with dividends paid of $1. In the previous year earnings were equal to $1.81 a share. Gross for 1932 was down 4 per cent and net declined 3 per cent. Surplus after charges at $213,930 showed a reduction of 6 per cent from 1931.

These figures, however, are based on the £ at par of exchange. Difficulties which might have hampered the operating company in making payments in Canadian funds have been offset for the time being by establishment of a credit in New York just prior to Great Britain's departure from the gold standard. This reserve has been brought to Canada at favorable rates of exchange and has proved extremely useful. It is estimated that the reserve can take care of disbursements during 1933 but after that time the full effects of exchange may be felt.

Jamaica Public Service Ltd. is a holding company controlling through stock ownership Jamaica Public Service Co. The operating company supplies utility services in Kingston, Jamaica, and in other parts of the island. Extent and prices of the banana crop play an important part in the company's affairs since crop variation has wide repercussions in business throughout the island. Jamaica Public Service has built up a substantial outlet for power sales in irrigation work in the crop district.

Increases in power sales have been offset, until recently, by losses sustained by the tramways division, which has suffered from unrestricted competition from bus operations. Latterly, however, this competition has been regulated and earnings have tended to show improvement.

Jamaica Service has made progress from an operating standpoint; fluctuations in exchange will have a bearing on the company's position during the next year.

Capitalization—	Authorized	Outstanding
Common	60,000 sh.	45,000 sh.
No par value.		

Dividend Record—

Common—$1.00 per share per annum payable Jan., April, July and Oct. 1. Initial dividend of 25 cents per share paid Oct. 1, 1930.

Officers and Directors—

Officers — R. D. Bell, pres.; Abner Kingman, M. L. Sperry, C. F. W. Wetterer, vice-pres.; V. D. Vickery, sec.; J. T. G. Nichols, treas.; A. S. Nichols, vice-pres. and mgr. of oper. subsidiaries.

Directors—R. D. Bell, D. J. O'Donahoe, R. O. Johnson, Abner Kingman, Montreal; M. L. Sperry, Boston, Mass.

Earnings per Share and Dividend Record:	1931	1930	1929
Common: Earned ...	$1.81	$2.01	$2.05
Paid	1.00	0.50	nil

Market Record—

	1932		1931		1930	
	H	L	H	L	H	L
Common	—	—	40	40	43	33

JAMAICA PUBLIC SERVICE CO.
(Controlled by Jamaica Public Service Ltd.)

Capitalization—	Authorized	Outstanding
Ordinary	$1,000,000	*$750,000
Par $5.		
Pref. 7% cum.†...	750,000	750,000
Par $100.		
Pref. "B" cum. ..	250,000	250,000
Par £1.		

*Entirely owned by parent company.
†2,000 shares owned by parent company.

Funded Debt—

1st mtge. bonds, series "B," 5 per cent, due 1950, outstanding $2,000,000.

Dividend Record—

Preference — 7 per cent per annum, cumulative, payable quarterly in Canadian funds, Jan., April, July and Oct. 1. Paid regularly.

Preference "B"—7 per cent per annum, cumulative, payable quarterly, Jan., Apr., July and Oct. 1. Paid regularly.

Ordinary—Special dividend of 25 cents per share paid Oct. 1, 1928, and 75 cents per share April 1, 1929.

Officers and Directors—

Officers — R. D. Dell, pres.; Abner Kingman, M. L. Sperry, C. F. W. Wetterer, vice-pres.; V. D. Vickery, sec.; J. T. G Nichols, treas.; A. S. Nichols, vice-pres. and mgr., Kingston, Jamaica.

Directors—R. D. Bell, Abner Kingman, D. J. O'Donahoe, R. O. Johnson, Montreal, Can.; M. L. Sperry, Boston, Mass.

Market Record—

	1932		1931		1930	
	H	L	H	L	H	L
Preferred	86	79	109	99¾	110½	107

Right Here!

RIGHT here in this compact cabinet you will find that information you want on Canadian securities . . . and it's UP-TO-DATE. THE FINANCIAL POST CORPORATION SERVICE card system provides full investment facts on HUNDREDS of Canadian companies. A glance at only *two cards* gives you a complete analysis of a corporation's financial history, its capital structure, and latest news on it. Nothing could be simpler. Send for particulars.

The Financial Post Corporation Service
143 University Ave., Toronto, Ontario

Clip It NOW!

THE FINANCIAL POST CORPORATION SERVICE,
143 University Ave., Toronto, Ontario.

Please send me complete information on your Service and free sample card on

....

Name .... Address 301

CANADIAN HYDRO

Earnings Ample in 1932 — Dividend Prospects Reviewed

Controlled by Inter. Hydro

Any consideration of Canadian Hydro Electric Corp.'s position must be taken in conjunction with that of Gatineau Power Co., for practically all the income of the former is derived from the latter.

Public investment interest in this enterprise is limited to the outstanding $25,000,000 first preferred stock. All of the second preferred and common stock is owned by International Hydro Electric System, a division of International Paper and Power Co.

Ability of Canadian Hydro to continue meeting its dividend needs is doubted by the market, as evidenced by the fact that the stock is selling at price to yield nearly double the 6 per cent rate at parity.

Depends on Gatineau

Whether or not Canadian Hydro can meet this charge depends solely upon Gatineau Power. In the review on Gatineau Power, appearing in this section, attention is paid to the earning power ability of Gatineau. Therein it is pointed out that as far as the senior charges, including interest on the first mortgages, Gatineau Power should have no particular problems. When it comes to the debentures and capital stock, consideration must be given to the current newsprint situation.

To date Canadian International has managed to keep its mills operating at a better than average capacity for the industry as a whole. As long as that state of affairs continues, Canadian Hydro should receive sufficient revenue from Gatineau to take care of dividends on the first preferred.

Depends on Mills

Should it be found necessary to close down the Gatineau and Dalhousie mills, Gatineau Power's income would be restricted to such an extent that it would be extremely problematical whether or not Canadian Hydro could continue to pay its preferred dividend.

There remains a fair margin of safety, however, for Checo's preferred stock. Until the newsprint situation is cleaned up once and for all, one cannot say with certainty that Canadian Hydro can maintain the dividend on its first preferred stock.

Capitalization—	Authorized	Outstanding
Common	1,000,000 sh.	1,000,000 sh.
No par value.		
1st pref. 6% cum.	$37,500,000	$12,500,000
2nd pref. non-cum.	25,000,000	25,000,000
Par $100.		

Both 2nd preferred and common shares are owned by International Hydro-Electric System.

Funded Debt—
None

Dividend Record—
First Preferred—6 per cent per annum, payable March, June, Sept. and Dec. 1.
Initial dividend paid March 1, 1928, and quarterly since.

Officers and Directors—
Officers—A. R. Graustein, pres.; G. G. Gale, vice-pres.; H. R. Weaver, treas.; J. R. Binks, sec. and asst. treas.; A. R. Storm, asst. treas.; G. S. McCarthy, asst. sec.; Roy Campbell, asst. sec.; C. D. Young, asst. sec.
Directors—J. R. Binks, G. G. Gale, I. L. Moore, Ottawa, Ont.; V. M. Drury, Brig.-Gen. J. B. White, Montreal, P.Q.; A. R. Graustein, New York City; A. F. White, Toronto, Ont.

Years End. Dec. 31:	1931	1930	1929
Times Interest Earned:			
Before deprec.	1.71	1.67	1.42
After deprec.	1.58	1.51	1.30
Earnings per Share and Dividend Record:			
1st pref.: Earned..	$18.44	$15.40	$7.93
Paid	6.00	6.00	6.00
2nd pref.: Earned.	6.22	1.75	.97
Paid	6.00	...	...
Common: Earned .	0.05	...	...
Paid	0.50	...	...

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
1st pref.	66	29	80	52	92½	73

OTTAWA VALLEY

Project Fully Completed — Handles Loads Up to 190,000 h.p.

Power plant of Ottawa Valley Power Co. at Chats Falls, on the Ottawa River, is working smoothly and is turning out its full designed output. The second half of the joint development undertaken by the company and Hydro-Electric Commission of Ontario was placed in operation Oct. 1 last and since that time the plant has been carrying loads up to 190,000 horsepower.

Contract of Ottawa Valley Power with the Hydro called for delivery of 96,000 horsepower by Oct. 1, 1932, and work of installing necessary equipment was completed before the final date. No further construction work is required.

Calgary Power Controls

Control of the utility passed to Calgary Power Co. in the middle of 1932. Public investment interest is confined to an issue of $9,000,000 5½% per cent first mortgage bonds and at the time of financing, earnings, based on existing contracts, were estimated at $1,017,000 per year before depreciation and taxes. That income, however, did not include any revenue from sale of surplus power. Other securities outstanding include $3,000,000 of 6 per cent debentures and 50,000 no par common shares.

Hydro is Interested

Construction of the plant embodied a joint development of the power site by the Ontario Hydro and the Ottawa Valley Power. Combined property comprises 8 units of 28,000 horsepower each, of which 4 units were installed by Ottawa Valley Power.

Details of earnings have not been made public, but it is understood that profits have lived up to expectations.

Capitalization—	Authorized	Outstanding
Common	50,000 shs.	50,000 shs.
No par value.		

Funded Debt—
1st mtge. 5½ per cent debs., due 1970, outstanding $9,000,000.
6 per cent, 40-yr. debentures, $3,000,000.*
*Not publicly offered.

Officers and Directors—
Officers—C. W. Allen, pres.; J. B. Woodyatt, vice-pres.; A. G. Mackinnon, sec.; Fred C. Clarke, treas.
Directors—C. W. Allen, I. W. Killam, H. J. Symington, F. C. Clarke, Denis Stairs, A. G. Munich, A. J. Nesbitt, P. A. Thomson, J. B. Woodyatt, J. S. H. Wurtele, all of Montreal, P.Q.

Build New Textile Mill

The Town of Trenton, Ontario, is proceeding with the erection of a textile mill to be leased to the Briish firm of Downs, Coulter & Co. Limited, of Bradford, England. It is reported that construction is starting on the mill and that with equipment it will cost about $100,000.

Doukhobor Plant Output

The output of the Kootenay-Columbia Preserving Works operated by the Doukhobor Community at Brilliant during 1932 is valued at $86,801.71, the value of jam products, including fruit juice being $82,727.31 and canned fruits and vegetables $4,074.40. The plant utilized 780,217 pounds of berries and fruit, 6,357 sacks of sugar and 323,280 tin cans.

Silvery Plumes of Canada's "White Horses"

Courtesy Montreal Power

The above photograph portrays a sight to be seen wherever power is developed in Canada. The end-on view shows the water pouring over the spillway of a typical dam which has been used to impound millions of cubic feet of water for the purpose of generating energy. In its water powers Canada has an asset of the greatest value, for not only do they provide electricity for the home, but they provide the greater part of the energy needed in industrial operations.

GATINEAU POWER CO.

Big Power Producer's Position Cause for Considerable Speculation — Sources of Income Are Analysed — Relations With International

Controlled by Can. Hydro

Much speculation has been aroused over the position of Gatineau Power Co. owing to its close corporate relationship with the International Paper and Power group and also to the fact that a goodly proportion of the company's earnings are derived from Canadian International Paper whose operations have been adversely affected by the current situation in the newsprint industry. This uncertainty has been in part responsible for the present value of the company's bonds, recent quotations being substantially under parity.

Gatineau Power is primarily a wholesaler of electric energy. By far the largest customer is the Ontario Hydro Power Commission, which has contracted for somewhat more than 300,000, h.p. payment on 260,000 h.p. being made in American funds and the balance in Canadian funds. Large blocks are sold to the E. B. Eddy Co., Canada Cement, Ottawa Electric and other concerns. A fair amount is retailed through Gatineau Electric Light, while Canadian International has agreed to take delivery of 77,000 h.p.

Show Larger Income

Preliminary returns indicate that Gatineau Power will show a gross income for 1932 of over $9,000,000. There will be an increase of about $90,000 in revenues from Ontario Hydro; an increase in revenues from Ottawa Electric; an increase in retail sales (the retail properties were not acquired by Gatineau until April 1931, while the 1932 statement will include a full year's income from these properties) and probably a small decrease in revenues from International's mills due to withdrawals of secondary power, now being used for production of steam at the mills in order to meet the needs of the Ontario Hydro and Ottawa Electric contracts.

The company's principal task is to meet its operating costs, depreciation and amortization charges, and interest on the first mortgage bonds. It is officially stated by the company that its revenues from Ontario Hydro and Gatineau Electric Light can take care of these charges.

Interest on Debentures

Interest on the debentures and capital stock are taken care of by income from industrial users and Canadian International Paper. If the newsprint situation developed to such a point necessitating the closing down of the Gatineau and Dalhousie mills, it is not to be denied that Gatineau would probably not be able to meet interest charges on its debentures, let alone the dividends on the capital stock.

What are the possibilities of such a happening? At the worst it is not expected that the Gatineau or Dalhousie mills would be completely closed down. Operations might conceivably be curtailed even further than they are today, but on a minimum basis it is anticipated that the mills could be operated at one-third or better of capacity.

Revenue From C.I.P.

In 1931, the last year for which complete statistics are available, Gatineau Power received from Canadian International Paper $2,096,731 for motive power and $494,531 for energy used in generating steam, or a total of slightly better than $2,500,000. For that year operations were conducted on a relatively high basis. Allowing that the mills might operate on a third of capacity, revenue would be in the neighborhood of $800,000 to $900,000.

Gatineau has outstanding roughly $11,000,000 of debentures, on which the annual interest charges amount to $660,000. It will be seen, therefore, that on the basis of C.I.P. mills operating at one-third of capacity sufficient revenues would accrue to cover this charge.

Cushion of Revenue

In these premises no consideration is given to revenue receivable from the Eddy Co., Canada Cement, Ottawa Electric, Fraser Co., and others, which amounts to better than $1,000,000 annually. It is to be expected that these companies will meet their obligations, so that the revenue therefrom provides an additional cushion to take care of debenture and other interest charges.

It must be admitted, however, that the situation surrounding Gatineau Power is not as clear-cut as it might be, nor will it be possible to form a definite appraisal of the long-term outlook until such time as the present unsatisfactory newsprint situation is cleared up.

Capitalization—	Authorized	Outstanding
Common	$2,500,000	$2,500,000
Par $5.		
Pref. cum. 6% ..	25,000,000	25,000,000
Par $100.		

All shares of both issues, except directors' qualifying shares, owned by Canadian Hydro-Electric Corp.

Funded Debt—
1st mtge 5 per cent bonds, due 1956, outstanding $70,604,000.
Sinking fund debs., 6 per cent, due 1941, outstanding $11,148,000.
Gold debs., series "B," 6 per cent, due 1941, outstanding $7,500,000.

Year End. Dec. 31:	1931
Times First Mtge. Int. Earned:	
Before deprec. & amort. of storage works	2.23
After deprec. & amort. of stor. wks.	2.06
Times Deb. & Other Int. Earned:	
Before deprec. & amort. of stor. wks.	2.91
After deprec. & amort. of stor. wks.	2.51

Figures for year ended Dec. 31, 1930, not available.

INTERCOLONIAL COAL'S EARNINGS SHOW INCREASE

Profit Reported Against Loss in Previous Period

From Our Own Correspondent

MONTREAL—Revealing an income from holdings in government bonds substantially larger than income from operations, financial statement of Intercolonial Coal Co. for 1932 also shows an improvement in earnings. Operating profit was $12,632 against a loss of $4,998 in 1931 and other income was unchanged at $21,150 making total income $33,782. Company's mine is located in Picton county, N.S.

After deduction of income tax and preferred dividends profits were equal to $1.40 a share on the common. Dividends of $1.50 a share were paid during the year resulting in a deficit of $1,024. This compares with a deficit of $16,501 in the previous year.

Following is a comparison of profit and loss for the past two years:

	1932	1931
	$	$
Oper. prof.	12,632	x4,998
Other income	21,150	21,150
Total income	33,782	16,151
Income tax	3,353	1,140
Net profit	30,428	15,011
Pfd. divid.	16,452	16,512
Balance	13,976	d1,501
Com. divid.	15,000	15,000
Surplus	d1,024	d16,501
Prev. balance	†406,609	‡423,286
P. & L. balance	405,586	406,785

x—Operating loss.
d—Deficit.
† After adjustment for additional income tax affecting prior years.

Working Capital Position

	$	$
Current assets	544,392	529,477
Current liabs.	14,735	19,633
Working capital	529,657	509,814

Balance sheet shows a slight reduction in cash which totals $22,598 and investment in government bonds unchanged at $417,680. Accounts receivable are up $28,000 at $104,113; inventories are slightly lower at $50,246.

In liabilities the only noteworthy change is in preferred stock, of which $500 was redeemed during the year leaving $205,400 outstanding. In his remarks, Preble MacIntosh, president of the company, stated that output for the year was 98,039 tons as against 131,167 tons in 1931, while the average for the past 15 years had been 170,366 tons. No capital expenditures were made on the plant during 1932.

Can. Northern Power Income at New Peak

From Our Own Correspondent

MONTREAL.—New records in net earnings and power output were recorded by Canada Northern Power Corp., subsidiary of Power Corp. of Canada, in January, 1933. Net earnings for that month were $216,426, an increase of $12,222 over January, 1932, and power output totalled 39,196,190 kw.h., a gain of 8 per cent over January of last year. Number of customers served at the end of last January amounted to 12,522 as compared with 11,573 customers at the end of January 1932.

The company's annual report for 1932 will be available shortly and is expected to reflect the increasing activity in gold mines of Northern Ontario and Quebec served by the company.

Montreal Power Opposes City's Surtax Proposal

From Our Own Correspondent

MONTREAL. — Montreal's proposal to place a surtax on public utilities is regarded by Montreal Light, Heat and Power Consold. as discriminatory. Customers and shareholders have been circularized to protest to the premier against the measure and to that end a petition has been forwarded to Quebec City.

At present Montreal Power pays a general assessment tax of 1.35 per cent on all public utility property. The city now proposes increasing this tax to 6.35 per cent.

Back in 1918 the city imposed a special surtax of 5 per cent. on public utility property within the city limits. This tax was found to be contrary to public welfare and a short time later was repealed.

DOSCO WITHHOLDS CURRENT INTEREST DEBENTURE STOCK

Avails Itself of Grace Period to Survey Situation

From Our Own Correspondent

MONTREAL. — Dominion Steel and Coal Corp. is taking advantage of the 60 days grace offered by the trust deed surrounding its issue of $13,499,995 6 per cent first mortgage debenture stock and has not yet paid interest due March 1. The company is seeking to make some arrangement with security holders, details of which have not yet been made public.

Many problems have been faced by the company in the past year due to slackness in its steel and coal industries. Nova Scotia Steel and Coal Co., a subsidiary, was placed in receivership early this year and recent quotations of 20 on the debenture stock of the parent company have indicated uncertainty regarding its position.

Sinking Fund Heavy

Possibly some relief from sinking fund obligations will be sought. This fund calls for payment of $300,000 annually to the trustee; it became operative January 1, 1933. Whether bondholders will be asked to forego interest for a period has not been disclosed.

The debenture stock was issued in 1930 following reorganization of British Empire Steel Corp. Of the total of $13,499,995 outstanding, $6,887,548 was given to holders of Dominion Iron and Steel Co. 5 per cent consolidated mortgage bonds and $4,530,000 to holders of the currency series. The balance of $2,082,447 was pledged as security for bank loans which totalled $904,826, at the end of 1931.

Railways Seek Board Settle Wage Dispute

From Our Own Correspondent

MONTREAL.—Application has been made by the Canadian Pacific Railway, Canadian National Railway and subsidiary companies to the Minister of Labor for the establishment of a board of conciliation to deal with a wage dispute with their employees.

A short time ago the railways notified engineers, trainmen and telegraphers of a 20 per cent cut in basic wage rates specified in agreements with these classes which were in effect prior to December 31, 1931. This would mean, in actuality, another 10 per cent cut in addition to the 10 per cent reduction which was in effect during the past year.

Lengthy negotiations were held between representatives of the railways and the unions but no satisfactory conclusions were reached. The union men voted not to accept the railways proposal of a 20 per cent wage cut, and the railways in turn decided to put the matter before a board of conciliation.

Maritime Telephone Traffic Off in January

From Our Own Correspondent

MONTREAL.—Maritime Telegraph and Telephone Co. report 94,705 long distance telephone calls for the month ended January 20, 1933. Of this number 90,298 were completed for a percentage of 95.2. Revenue produced was only 80 per cent of that obtained for January last year.

Further losses in stations installed are reported by the company. At the end of December there were 39,040 stations and at the end of January 38,793, a loss of 247 stations for the month.

Stations installed by connecting companies at the end of December numbered 6,591 and at the end of January last 6,610 a gain of 19. The Island Telephone Co., controlled by Maritime Telephone, reported 5,579 stations at the end of January as compared with 5,602 at the end of the previous month, a loss of 23.

Public Utility Earnings

Winnipeg Electric

January:	1933	1932	Decr.
	$	$	$
Gross earn. ...	497,316	526,631	29,315
Operating exp. .	327,811	349,290	21,479
Net earnings ...	169,505	177,341	7,836

Jamaica Public Service

	1933	1932
January:	$	$
Gross earnings	70,401	73,369
Net earnings	30,796	32,451
Surplus after charges .	21,502	23,150
12 Mos. end. Jan. 31:		
Gross earnings	787,949	824,599
Net earnings	324,014	332,311
Surplus after charges	212,282	223,504

Canada Northern Power

	1933	1932	Incr.
January:	$	$	$
Gross	306,688	293,966	12,822
Oper. exps.	90,262	89,662	600
Net earnings ..	216,426	204,204	12,222

CAN. WESTERN GAS REVENUE HIGHER HAS RECORD YEAR

Pref. Stock Earns $15.90 Per Share; to Retire Debentures

Gas sales of Canadian Western Natural Gas, Light, Heat and Power Co. in 1932 were higher than sales in any previous year in the company's history and net earnings available for fixed charges were also higher. Net profit available for dividends was slightly lower in 1931 due to increase in reserve for taxes to $249,290 from $178,073. Earnings on preferred stock equalled $15.90 per share on the 33,215 shares outstanding as compared with $15.13 per share in 1931 when 35,000 shares were outstanding.

Cooler weather during 1932 improved sales to domestic consumers and domestic sales are stated to have been practically normal. Consumption of gas for industrial purposes decreased to a marked extent. The income and surplus account for the past two years is as follows:

INCOME AND SURPLUS ACCOUNT
Years Ended Dec. 31

	1932	1931
	$	$
Sale of gas	2,151,041	1,952,486
Add: Other inc.	64,277	64,742
Total income	2,215,318	2,017,228
Less: Cost of gas, distrib., oper. & adminis. exp.	1,120,777	983,560
Net earnings	1,094,541	1,033,668
Less: Deb. int.	28,104	36,815
Other int.	26,546	17,403
Depr. & bad debts .	44,617	41,967
Amortization	217,827	229,918
Taxes res.	249,290	178,073
Net profit	528,156	529,492
Less: Pref. divs.	184,552	206,548
Com. divs.	360,000	360,000
Pref. div. accr.	16,607	17,129
Trans. to cap. red. res. fund	70,000	70,000
Add. Transfer to:		
Pension Fd.	20,000	......
Auto ins. res.	4,516	......
Surp. for year	*78,488	*124,185
Add: Prev. surp.	254,590	378,527
Less: Pref. divs. chgd. but unpaid	......	248
Bal. forward	176,102	254,590

Working capital position is not substantially improved and there still remains an excess of current liabilities over current assets. Cash is up to $51,887 from $15,237; accounts receivable up to $442,716 from $280,531 chiefly due to $150,847 due from Canadian Utilities Ltd. while inventories are slightly lower at $113,521. Accounts payable show increase at $405,203; bank loan is up to $80,000 from $54,000; consumers' deposits are slightly higher at $331,378. Working capital position is now as follows:

Working Capital

	1932	1931
	$	$
Current assets	608,122	413,159
Current liabilities ...	915,723	828,206
Working capital	*307,601	*415,047
Ratio	0.66—1	0.50—1

* Excess of current liabilities over current assets.

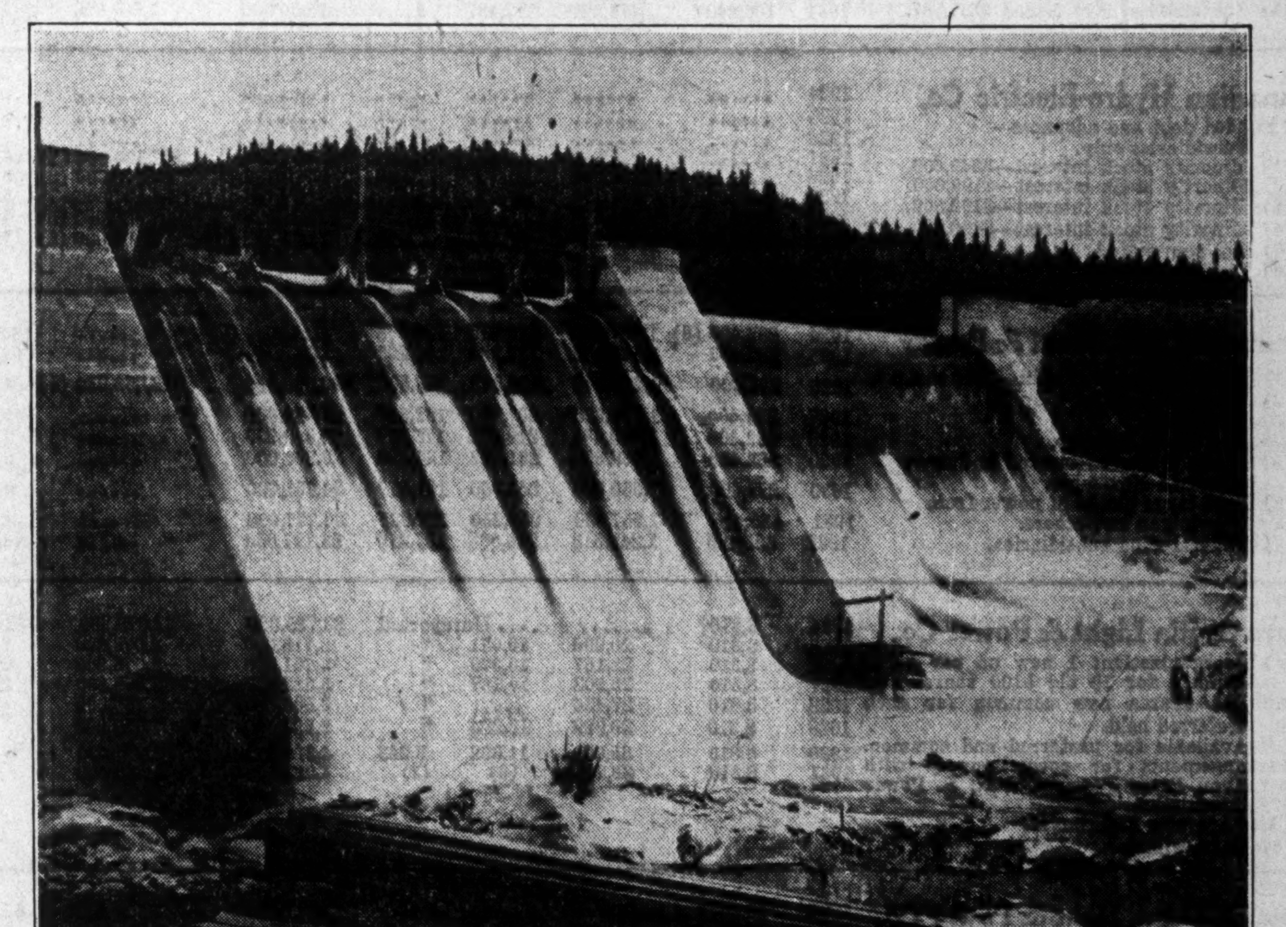
Fixed assets are shown at $15,466,213 after provision of $165,108 for amortization reserve and capital expenditures of $72,656 during 1932. Depletion and general reserve is shown under liabilities at $1,707,139. Work in progress, undistributed, amounts to $104,065. Investments carried at $106,662 are stated to be held in anticipation of their use as collateral for a loan of $65,000 which was pending.

During 1932, 1,785 shares of the 6 per cent preferred stock were retired leaving 33,215 shares outstanding. The capital redemption reserve fund, which represents a transfer from profits equal to 2 per cent per annum on the issued preference stock, is shown at $210,719. There remain 80,000 shares of common stock outstanding, chiefly owned by Dominion Gas & Electric Co.

ELECTRICITY — GAS — COKE

— serving Ottawa, the Dominion capital, with essential services for seventy-eight years.

OTTAWA LIGHT, HEAT and POWER CO.
LIMITED



Newfoundland and Labrador

VIRTUALLY every water-course on the Island of Newfoundland has at least one or more power sites, and it is a notable fact that many if not most of these are adjacent to the great bays that dot the coast, rendering them peculiarly available for any industry that is looking for a world-wide market by water-borne freight.

Newfoundland is not only fortunate in possessing useful water power in great abundance but also in having ample natural resources to give that power profitable employment.

The spectacular development of the great pulp and paper industry on the Island which has taken place in recent years has been due largely to the happy conjunction of large stands of pulp and timber with ample water power. The accessibility of this latent electric power was one of the large determining factors in bringing the industries to the country. The availability of cheap power has been a great factor also in opening up the vast mineral resources of the country. Already the Wabana iron deposits of the island at Conception Bay are among the most extensive and economically important in the world. It is the same factor of cheap power that is operating to bring about still other great mining undertakings on the Island.

There is a wealth of raw material in Newfoundland — minerals, coals, iron, copper, and forest resources which are virtually inexhaustible and so varied in character that almost any manufacturing need might be met. The fishery resources are the greatest in the world. There is ample room here for the development of the canning and preserving industry, fish, oil and fertilizer industries. In addition to these advantages of power and raw materials there is a further important advantage of geographical location, making Newfoundland a preferred distributional centre for both the European and North American market since Newfoundland is nearer to Europe and the British Isles than any other point on the North American Continent and also is close to the Eastern Provinces of Canada and the United States. The St. Lawrence River likewise opens at its door and gives low-cost water-borne access to the populous central regions of both countries.

The economic importance of such advantages is beginning to be realized more fully. Both Newfoundland and Labrador hold unusual opportunities for industry. The same factors which make for economical distribution of finished products from Newfoundland also make possible the bringing of raw products to Newfoundland for fabrication. This assures the Ancient Colony of substantial industrial development as more people appreciate the facts.

COMMUNICATE WITH
GOVERNMENT OFFICES, ST. JOHN'S, NEWFOUNDLAND

Statistical Summary of Leading Canadian Power Distributors

Nine Year Analysis 1924-1932

Barcelona Traction L. & P. Co.

† Kilowatts connected.
(1) $50 par value.
(2) Capital reorganization March, 1930—1 no par value share for each old one; also 6 new shares of no par common for each old preferred.
(3) Paid on new shares.

Year	Installed Horsepower Capacity	Output M.K.W.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Common Share Price Range Low	Stock Rights
1924	279,849†	460,046	234,158	......	$78,951,415	$23,248,900	$13,725,000 (1)	$2,999,287	$2,419,088	$........	......	...	...	23	13	....
1925	293,128	512,128	260,635	......	78,247,160	23,248,900	13,725,000	3,678,234	2,233,985	....	$ 85,861	...	...	30	18¼	....
1926	310,153	530,295	280,361	2,631	66,324,018	25,193,400	14,362,500	4,030,090	2,049,448	....	54,373	...	...	39¾	26	....
1927	321,711	578,222	297,547	5,583	65,717,225	25,193,400	14,362,500	4,765,521	2,054,491	....	280,696	1.99	1.00	68⅛	33½	....
1928	336,872	620,174	314,357	8,128	67,852,965	25,193,400	14,362,500	4,812,137	1,918,205	....	492,268	1.26	1.00	78	56	....
1929	368,503	718,249	334,251	9,813	66,762,394	25,193,400	14,362,500	4,832,369	1,728,454	....	889,565	1.44	.50	65	47½	....
1930	377,894	743,516	354,593	10,546	70,808,031	None	1,798,854 (2)	4,596,951	1,638,333	....	2,022,168 (2)	1.12	1.00 (3)	30	21 (2)	....
1931	387,204	758,414	339,120	11,186	70,089,296	None	1,798,854	3,228,074	1,567,770	....	1,460,361	0.81	.50	24	8½	....

Brazilian Traction L. & P. Co.

† Kilowatts.
(1) $100 par value.
(2) New stock no par value—4 new for 1 old.
(3) Plus sinking fund reserves.
(Also operates tramway and telephone and water systems).

Year	Installed Horsepower Capacity	Output M.K.W.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Common Share Price Range Low	Stock Rights
1924	169,400†	483,240	175,307	40,328	$68,335,277	$10,000,000	$1,065,879 (1)	$26,936,767	$4,709,785	$4,238,848 (3)	$7,038,917	$6.60	$4.00	55¼	41¾	....
1925	210,400	479,540	185,853	44,136	68,021,825	10,000,000	1,065,883 (1)	31,243,759	4,391,087	4,807,980	7,655,286	7.18	4.00	84	49¾	....
1926	240,400	526,317	201,620	49,535	67,692,606	10,000,000	1,093,092 (1)	38,602,891	4,084,242	5,823,622	11,145,397	10.45	5.00	122	80	....
1927	275,450	629,558	230,721	54,241	67,347,146	7,279,100	5,483,278 (2)	38,319,989	3,889,853	6,156,699	11,418,391	10.45	6.00	234⅞	102½	....
1928	295,112	721,436	261,028	59,577	65,260,274	764,400	5,483,278	42,774,813	3,801,295	6,829,974	14,067,213	10.24 (1) 2.58 (2)	3.50 (1) .88 (2)	257 (1) 78 (2)	195 (1) 50 (2)	1 for 5 at $100 (Old stock)
1929	318,452	816,557	301,196	70,479	60,184,201	417,500	6,295,385	49,351,215	3,787,334	7,362,991	16,830,634	2.67	2.00	82	30	1 for 1 at $40
1930	317,807	791,520	317,494	74,979	59,808,622	393,400	6,490,046	46,898,444	3,588,938	7,745,594	16,181,024	2.50	3% stock $1.50	55¼	19½	....
1931	317,717	797,832	331,415	74,509	59,456,548	393,400	6,754,625	34,896,767	3,374,070	7,850,999	9,389,103	1.39	50c+4% in stock	28½	7⅞	....

B. C. Power Co.

(1) Underlying bonds=$33,804,750. Underlying stocks=$12,142,075.
(2) Underlying bonds=$25,004,716. Underlying stocks=$11,984,000.
(Also operate tramways).

Year	Installed Horsepower Capacity	Output M.K.W.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Common Share Price Range Low	Stock Rights
1924	......	......	......	26,590	....	......										....
1925	......	197,827	87,587	29,000	....	......										....
1926	212,200	228,947	89,270	33,158	....	......	(Control of B. C. Electric secured by B. C. Power early in 1928)									....
1927	212,200	263,720	94,611	36,484	....	......										....
1928	212,200	290,405	100,337	41,114	....	......								61-A 45½-B	48½-A 21½-B	....
1929	214,160	342,627	105,908	45,163	.... (1)	......	$1,000,000 "A" (1) 1,000,000 "B"	$14,681,263	$1,983,416	$1,825,468	$2,632,980-A 632,980-B	2.63-A .63-B	2.00-A ...	60-A 40-B	35-A 18-B	....
1930	261,160	351,047	110,436	48,037	$10,000,000	......	1,000,000 'A' (2) 1,000,000 "A"	15,414,341	2,101,713	1,877,030	2,188,194-A 188,194-B	2.19-A .19-B	2.00-A ...	45½-A 26½-B	32-A 10½-B	....
1931	279,160	372,282	118,267	50,697	$14,000,000	......	1,000,000 "A" 1,000,000 "B"	15,119,946	2,585,742	1,870,965	2,436,816-A 436,816-B	2.22-A .22-B	2.00-A ...	42½-A 18-B	26-A 7-B	....
1932	279,160	485,652	121,169	50,728	$14,000,000 (2)	......	1,000,000 "A" 1,000,000 "B"	14,356,842	2,510,499	1,869,804	2,009,340-A 9,340-B	2.00-A .005-B	2.00-A ...	28-A 7½-B	15-A 3¾-B	....

Calgary Power Co.

(1) London, Eng., prices.
(2) New York bid.
(3) Steam (leased).

Year	Installed Horsepower Capacity	Output M.K.W.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Common Share Price Range Low	Stock Rights
1924	32,000	......	......	.....	$2,842,620	......	$1,900,000	$ 371,956	$ 144,357	$ 50,000	$ 96,822	$5.05	...	52 (1)	15½ (1)	....
1925	32,000	63,101	......	.....	2,806,120	......	1,900,000	409,793	141,547	50,000	113,336	5.96	...	46 (2)	..	....
1926	32,000	70,475	......	.....	2,768,647	......	1,900,000	450,961	139,508	50,000	125,427	6.60	...	52½ (1)	51	....
1927	32,000	78,638	......	.....	2,728,740	......	1,900,000	496,583	137,472	60,000	129,594	6.82	1.25	100	50	....
1928	32,000 18,000 A 3	100,199	......	.....	2,710,338	$2,500,000	2,500,000	966,147	168,949	93,109	226,197	9.05	5.00	170	100	1 for 10 at $100
1929	70,000 18,000 A 3	123,319	......	.....	2,661,560	4,600,000	2,500,000	1,506,913	135,682	150,000	288,628	11.55	5.00	180	165	2 for 5 at $100
1930	70,000 18,000 A 3	136,794	......	.....	10,000,000	6,000,000	3,500,000	1,833,415	364,916	165,000	326,774	9.34	6.00	198	150	....
1931	70,000 18,000 A 3	......	17,803	.....	10,000,000	6,000,000	3,500,000	......	......	......	......	...	...	...	...	....

Canada Northern Power Co.

(1) 5 new shares for 1 old share of no par value.
(2) Two quarterly dividends.
(3) Subsidiaries have issued $1,466,000.
(4) Subsidiaries have issued $267,867.

Year	Installed Horsepower Capacity	Output M.K.W.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Common Share Price Range Low	Stock Rights
1924	73,000	......	......	.....	....	...... (3)	.... (4)	......	......	......	......	...	...	..	..	....
1925	73,000	......	......	.....	$ 5,605,900	$4,000,000	$ 50,000	$1,035,851	$ 290,027	$274,364	......	...	...	30	27	....
1926	73,000	224,683	7,510	.....	14,826,500	4,607,200	50,000	2,562,185	823,355	425,000	538,739	.77	...	43	27	....
1927	73,000	259,603	8,742	.....	14,627,000	5,000,000	50,000	2,812,514	898,337	476,000	84,334	1.68	...	75	51	....
1928	93,000	343,930	9,524	.....	15,000,000	5,154,900	75,000	3,088,529	787,034	558,767	372,849	4.97	...	100	70½	1 for 4 at $50
1929	93,000	347,827	9,980	.....	15,000,000	5,154,900	375,000 (1)	3,116,597	820,018	600,000	265,572	.71 (1)	.30 (2)	35½ (1)	18 (1)	....
1930	105,000	367,130	10,337	.....	17,000,000	5,500,000	375,000	3,181,504	810,769	600,000	215,312	.31	.60	21	14	....
1931	106,840	418,227	11,407	.....	17,000,000	5,500,000	375,000	3,341,964	902,302	600,000	284,573	.76	.80	25½	15½	....

Canadian Hydro-Electric Co.

† Funded debt and advances—Subsidiaries only.
(1) Minority stock interest—$349,600.
(2) Minority stock interest—$199,600.
(3) Minority stock interest—$199,600.
(4) Minority stock interest—$199,600.
(5) Not segregated.
(6) First six months of 1931.

Year	Installed Horsepower Capacity	Output M.K.W.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Common Share Price Range Low	Stock Rights
1924	......	......	......	.....	....	......	......	......	......	......	......	...	...			....
1925	......	......	......	.....	....	......	......	......	......	......	......	...	...			....
1926	......	......	......	.....	....	......	......	......	......	......	......	...	...	(All common stock owned by Inter. Hydro-Electric System)		....
1927	......	......	......	.....	$59,056,407†	$37,500,000 (1)	$5,000,000	......	......	......	......	...	...			....
1928	......	1,294,961	......	.....	73,773,788	37,500,000 (2)	5,000,000	$4,367,393	$2,272,811	$ 297,427	......	...	...			....
1929	622,600	2,097,793	......	.....	82,907,455	37,500,000 (3)	5,000,000	6,855,777	4,027,915	406,861	......	...	...			....
1930	645,519	2,534,522	......	.....	81,932,322	37,500,000 (4)	1,000,000 sh.	8,513,408	4,321,762	(5)	......	...	...			....
1931	679,519	1,226,283	......	.....	81,932,322 (6)	37,500,000 (6)	1,000,000 sh. (6)	8,900,558 (6)	4,824,995 (6)	752,567 (6)	......	...	...			....

Montreal Light, Heat & Power

(1) New stock—3 for 1 split—$100 to n.p.v.
(2) New stock—2 for 1 split.
(3) New stock.
(4) Now on $1.50 basis.
(5) Bonus preferred—issued in July—redeemed November.
(6) Buys large blocks of power from Shawinigan and others.
(7) Not including subsidiaries.

Year	Installed Horsepower Capacity	Output M.K.W.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Common Share Price Range Low	Stock Rights
1924	282,400 (6)	1,157,649	175,315	134,978	.... (7)	......	$64,651,000	$17,394,092	$1,209,778	$1,739,409	$6,460,412	$9.00	$7.00	188	140	....
1925	282,400	1,175,430	187,284	144,201	....	......	64,683,900	18,348,806	1,213,650	1,834,880	6,676,377	10.51	7.75	220	152	....
1926	282,400	1,251,502	196,992	153,506	$30,000,000	$32,863,950 (5)	1,941,837 (1)	18,907,382	1,611,121	1,890,738	7,082,567	3.46 (1)	6.00 .83⅓ (3)	240 75 (1)	209½ 61 (1)	....
1927	282,400	1,354,895	207,360	162,349	29,780,000	......	2,041,837	20,314,902	2,922,913	2,031,490	6,893,094	3.36	2.00	96½	68	....
1928	282,400	1,450,485	219,501	173,598	29,549,000	......	2,041,837	21,235,991	2,928,516	2,123,599	7,866,462	3.85	2.40	120	89	....
1929	282,400	1,568,864	231,172	184,629	29,306,000	......	2,041,837	22,286,284	2,803,409	2,228,628	8,737,638	4.28	2.40	180	98	....
1930	282,400	1,650,626	240,965	191,879	34,051,000	......	4,083,674 (2)	23,484,079	3,138,600	2,348,407	8,943,584	2.19 (2)	.60 1.12 (4)	162 68¾ (3)	121 52½ (3)	1 for 10 at $50
1931	325,425	1,557,930	254,250	197,885	33,777,000	......	4,492,042	25,410,776	3,502,295	2,541,078	9,766,921	2.17	1.50	68¼	38	....
1932	325,425	1,249,313	264,068	197,470	63,197,650	......	4,488,925	24,783,066	4,021,933	2,478,306	8,752,530	1.96	1.50	39¼	20⅛	....

Nova Scotia Light & Power Co.

(1) Reorganization: 1 new no par value common for 10 old $100 shares and 1.54 shares new common for each preferred held.
(2) Available for preferred and common.
†Arrangements for power supply with Avon River Power and N. S. Power Commission.
(Also operates tramways).
(3) Not available.

Year	Installed Horsepower Capacity	Output M.K.W.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Common Share Price Range Low	Stock Rights
1924	8,310†	....	....	Unreported	$3,735,000	$2,078,800	$2,510,000	$1,299,371	$ 217,940	$ 42,653	...... (2)	...	...	Not Listed		....
1925	8,310	20,900	10,071	"	3,718,000	2,078,800	2,510,000	1,344,098	216,925	151,276	......	...	...	..	..	....
1926	8,310	22,157	10,379	"	3,701,000	2,078,800	2,510,000	1,438,903	216,214	169,186	$ 33,217	...	...	..	..	....
1927	8,310	23,903	10,737	"	3,682,000	2,078,800	2,510,000	1,472,664	214,976	137,373	68,476	...	...	..	..	....
1928	8,310	27,464	.....	"	3,500,000	750,000	34,523 (1)	1,642,385	193,767	175,000	182,073	4.62	...	..	..	....
1929	8,310	30,999	12,234	"	3,500,000	750,000	34,523	1,819,322	178,434	175,000	243,029	5.74	1.00	..	..	....
1930	8,310	35,007	11,362	3,223	4,310,500	1,250,000	34,523	1,879,522	220,019	135,000	205,008	5.95	4.00	..	..	1 preferred for 8 shs. held at 97%
1931	8,310	36,761	(3)	(3)	4,264,500	1,250,000	34,523	1,895,866	214,562	135,000	130,296	3.77	4.00	..	..	....

Ottawa Light, Heat & Power Co.

† Purchases 15,000 h.p. and surplus power from other producers.

Year	Installed Horsepower Capacity	Output M.K.W.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Common Share Price Range Low	Stock Rights
1924	19,300†	......	......	.....	$2,211,340	$1,500,000	$3,500,000	$1,720,841	$ 125,458	$109,951	$205,000	$5.86	$6.00	97	82	....
1925	19,300	......	......	.....	2,187,540	1,500,000	3,500,000	1,787,182	136,526	104,950	210,334	6.01	6.00	103½	95½	....
1926	19,300	......	......	.....	2,157,000	1,500,000	3,500,000	1,854,383	142,375	105,284	255,545	7.30	6.00	100¼	95½	....
1927	19,300	......	......	.....	4,000,000	1,500,000	3,500,000	1,920,942	138,465	130,000	265,747	7.59	6.00	141¼	99	....
1928	19,300	......	......	.....	3,968,000	1,500,000	3,500,000	2,035,184	202,569	100,000	213,938	6.11	6.00	136	120	....
1929	19,300	......	......	.....	3,934,000	1,500,000	3,500,000	2,165,328	208,501	135,000	223,747	6.39	6.00	120	89	....
1930	19,300	......	......	18,000	3,899,000	1,500,000	3,500,000	2,212,886	196,281	135,000	231,093	6.60	6.00	101⅛	87	....
1931	24,300	......	......	.....	4,851,500	1,500,000	3,500,000	2,290,813	220,811	135,000	231,739	6.62	6.00	98	92	....
1932	24,300	......	......	.....	4,800,000	1,500,000	3,500,000	2,284,044	275,023	135,000	192,655	5.50	6.00	100	87	....

Quebec Power Co.

(1) Changed from $100 to no par value, 4 new shares for 1 old.
† Buys large block from Shawinigan.
(Also operates tramways).

Year	Installed Horsepower Capacity	Output M.K.W.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Common Share Price Range Low	Stock Rights
1924	......†	......	......	.....	$5,000,000	$2,238,750	$3,933,800	$ 908,470	$ 300,000	$ 30,000	$192,001	$4.88	$4.00	95	64	....
1925	......	......	......	.....	5,000,000	3,542,370	3,999,150	1,046,944	300,000	60,000	242,834	6.07	5.00	119	86	....
1926	......	79,171	32,650	8,650	5,000,000	3,592,400	4,026,350	1,238,302	300,000	100,000	315,802	7.48	5.50	200	113	....
1927	......	109,788	34,284	9,212	5,000,000	....	400,000 (1) 10,000,000	1,572,230	300,000	100,000	856,227	2.14 (1)	5.50 .50 (1)	88½ (1) 312	72 (1) 190	....
1928	......	163,359	39,024	9,963	12,000,000	....	502,877	3,198,487	511,774	100,000	1,199,724	2.39	2.00	115	68½	....
1929	43,325	164,878	40,683	10,275	12,000,000	....	553,198	3,543,795	588,252	150,000	1,502,527	2.72	2.25	99	53	....
1930	43,325	153,622	42,497	10,854	11,881,000	....	553,198	3,677,103	600,000	150,000	1,630,999	2.95	2.50	70½	40	....
1931	43,350	148,079	44,361	11,280	11,881,000	....	553,158	3,392,826	613,677	150,000	1,241,123	2.24	2.37½	49	27	....
1932	43,350	......	45,267	.....	11,735,632	....	553,158	3,109,298	611,268	250,000	1,003,960	1.82	1.38	27	9¼	....

Shawinigan Water & Power Co.

(1) Old $100 par value shares split 1 for 4 shares of no par value.
† Buys 100,000 h.p. from Duke-Price Power; 10,000 h.p. from Southern Canada Power.
(Primarily wholesaler).

Year	Installed Horsepower Capacity	Output M.K.W.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Common Share Price Range Low	Stock Rights
1924	......†	1,971,759	......	.....	$22,246,500	....	$22,000,000	....	....	......	......	...	...	137½	118¼	1 for 10 at $100
1925	......	2,333,810	......	.....	23,148,500	....	25,000,000	$6,702,034	$1,334,538	$ 350,000	$2,016,339	$7.86	$7.50	175	131	1 for 20 at $100
1926	......	2,468,650	......	.....	26,129,500	....	1,100,000 (1)	7,660,208	1,459,744	350,000	2,607,324	9.30	8.00	275½	167½	1 for 10 at $150
1927	584,000	3,021,201	......	.....	35,000,000	....	1,200,000	9,362,828	1,637,493	400,000	2,894,782	2.41 (1)	2.00 (1)	277½ 94¾ (1)	264 67 (1)	1 for 4 at $50 1 for 11 at $50
1928	653,000	3,270,702	......	.....	53,013,500	....	1,867,072	11,562,331	2,250,000	800,000	4,048,523	2.17	2.00	109¾	75½	1 for 10 s'k bonus
1929	693,600	3,726,436	......	.....	58,974,000	....	2,178,250	13,475,862	2,857,754	800,000	5,107,979	2.34	2.12½	107½	68¾	1 for 6 at $50
1930	718,625	3,528,538	103,000	.....	85,215,000	....	2,178,250	14,954,074	3,450,807	800,000	5,770,670	2.65	2.50	82⅛	47	....
1931	860,650	3,436,436	111,900	.....	84,432,000	....	2,178,250	13,693,195	4,109,675	600,000	4,150,438	1.91	2.25	59½	32½	....
1932	860,650	3,266,815	112,000	.....	88,388,500	....	2,178,250	12,635,279	4,054,443	800,000	2,534,472	1.16	.75	33	7¼	....

Southern Canada Power Co.

(1) No par value.
(2) Old stock split 4 for 1.

Year	Installed Horsepower Capacity	Output M.K.W.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Common Share Price Range Low	Stock Rights
1924	9,600	48,734	16,217	.....	$5,548,496	$2,984,800	$ 50,000 (1)	$1,150,863	$ 270,958	$ 115,100	$100,583	$2.01	$2.00	73	48	....
1925	57,600	85,511	18,269	.....	5,507,024	3,840,100	50,000	1,213,665	269,305	121,365	89,788	1.79	2.00	84	67	....
1926	57,600	122,218	20,065	.....	7,100,556	4,865,100	60,000	1,389,131	333,068	138,900	148,588	2.47	2.00	100	81¾	1 for 5 at $80
1927	57,600	123,452	21,662	.....	6,955,531	4,905,100	60,000	1,534,280	357,414	153,000	180,350	3.01	3.00	140	87	1 for 5 at $80
1928	57,600	138,160	23,552	.....	6,932,605	4,975,700	100,000	1,809,566	344,208	181,000	377,010	3.77	4.00	180	125	....
1929	59,600	154,528	25,543	.....	6,866,268	4,975,700	400,000 (2)	2,095,912	342,977	209,590	493,253	1.23 (2)	1.00 (2)	64½ (2)	64½ (2)	....
1930	60,800	170,685	26,594	.....	6,841,367	5,884,600	400,000	2,257,421	341,461	225,770	486,386	1.22	1.00	37½	24	....
1931	60,800	155,016	27,225	.....	6,816,234	6,759,700	400,000	2,355,111	360,149	235,510	436,076	1.09	1.00	32	22¾	....
1932	58,800	171,285	27,507	.....	6,787,528	7,088,900	400,000	2,224,444	374,637	222,445	377,605	0.94	1.00	25	10	....

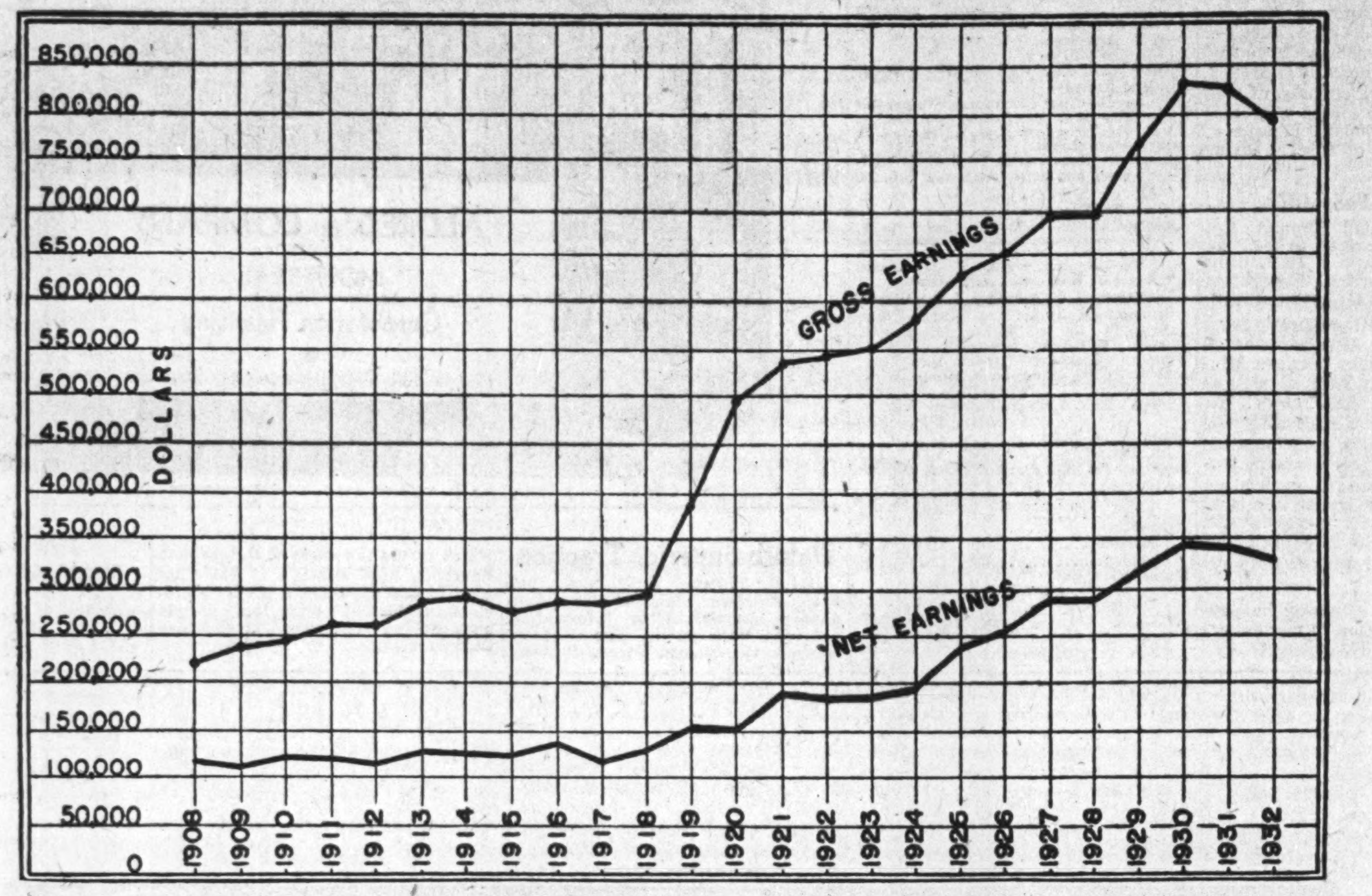
Winnipeg Electric Co.

(1) 1928—$100 par value stock changed to no par—share for share exchange.
(2) Deficit.
(3) Dividend last paid Aug. 1, 1930.
(4) Not including subsidiaries.
† Has large resources through subsidiaries: Manitoba Power, 168,000 h.p.; Northwestern Power building, 225,000 h.p. plant. (Also operates tramways).
(5) Also guarantees principal and interest on $22,075,000 of bonds of subsidiaries, $10,000,000 of which are in default.

Year	Installed Horsepower Capacity	Output M.K.W.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Common Share Price Range Low	Stock Rights
1924	47,000†	143,239	20,823	21,733	$15,380,000 (4)	$3,000,000	$11,000,000	$1,888,013	$ 700,463	$ 201,050	$ 35,382 (2)	...	...	38¼	24	....
1925	47,000	153,859	21,929	20,703	16,380,000	3,000,000	11,000,000	2,067,365	872,914	201,050	/237,554	2.16	2.00	53½	36½	....
1926	47,000	168,702	23,301	19,773	16,378,000	3,000,000	11,000,000	2,269,205	915,962	201,050	359,531	3.18	2.00	64	40½	....
1927	47,000	185,568	25,286	19,613	16,380,000	4,156,900	15,000,000	2,498,287	937,159	201,050	452,055	3.02	2.00	104½	61	4 for 11 at $60
1928	47,000	212,608	27,455	19,056	16,380,000	4,987,400	150,000 (1)	2,542,210	909,479	201,050	428,209	2.85	2.00	128¾	93	....
1929	47,000	230,588	29,797	18,569	16,380,000	5,000,000	229,483	2,815,740	930,079	488,416	619,551	2.70	2.00	109½	45	1 for 3 at $60
1930	47,000	221,592	31,823	17,977	16,380,000	5,000,000	241,934	2,431,915	951,290	515,345	222,808	.92	1.00 (3)	54	13¾	....
1931	47,000	213,593	32,398	17,726	16,380,000 (5)	5,000,000	241,934	2,145,551	945,594	531,886	301	...	...	8	2½	....

Note:—These figures are secured from reliable sources, but are not guaranteed.

RECORD OF GROWTH AND STABILITY OF EARNINGS JAMAICA, B.W.I.



The stability and growth of this utilities' business and net earnings may be seen in the following table:

Year	Gross Earnings	Net Earnings	Year	Gross Earnings	Net Earnings
1908	$217,410	$118,326	1920	$490,180	$151,288
1909	236,065	113,885	1921	536,866	185,376
1910	240,066	122,637	1922	541,032	181,431
1911	263,108	122,014	1924	579,055	186,651
1912	261,080	116,956	1925	625,275	236,114
1913	284,841	128,584	1926	652,104	255,387
1914	288,924	125,369	1927	694,160	284,993
1915	274,317	123,540	1928	697,876	282,371
1916	286,321	134,370	1929	767,316	320,339
1917	287,210	120,112	1930	833,853	339,300
1918	294,724	131,603	1931	829,598	336,273
1919	383,664	154,767	1932	790,917	325,668

CONSOLIDATED CAPITALIZATION

OUTSTANDING

BONDS:

JAMAICA PUBLIC SERVICE CO., LTD. — FIRST MORTGAGE 5'S ...... $ 1,970,000

PREFERENCE SHARES:

JAMAICA PUBLIC SERVICE CO., LTD.
PREFERENCE 7% CUMULATIVE .... $ 750,000
PREFERENCE "B" 7% CUMULATIVE .... $ 250,000

CAPITAL STOCK:

JAMAICA PUBLIC SERVICE LTD. NO PAR VALUE 45,000 SHARES

Jamaica Public Service Limited, a Canadian company, owns all of the Ordinary and $200,000 par value of the Preference shares of Jamaica Public Service Company, Limited, a public utility organized and operating in the Island of Jamaica, British West Indies, which does the entire electric lighting and power business for an estimated population of 116,100 within the territorial limits of the Corporation of Kingston and St. Andrew and the Parish of St. Catherine. It also operates the electric tramway system in Kingston and St. Andrew.

Kingston is an enterprising seaport on the south side of the Island. It is the social and commercial centre of the colony, the seat of the Government, and the Military forces are stationed there.

In addition, St. James Utilities Limited, a wholly owned subsidiary, does the entire electric lighting and power and ice business in Montego Bay and Port Antonio, serving a population of approximately 15,000.

Montego Bay is a port on the Northwest Coast of the Island, 112 miles from Kingston, and Port Antonio is a port on the Northeast Coast, 60 miles from Kingston. Both of these communities rank next to Kingston in size and importance, and each year are becoming more popular as winter resorts for tourists.

No change in the company's financial structure has taken place during the year except the funded debt of the Jamaica Public Service Company, Limited was reduced by $15,000 and is now represented by $1,970,000 of 5% First Mortgage Bonds, not due until 1950, which places the company in a favorable position. Regular dividends on both classes of the operating company's 7% Preference stock were paid during the year, and dividends at the rate of $1.00 per share were continued on the capital stock of the Canadian company.

JAMAICA PUBLIC SERVICE LIMITED
AND SUBSIDIARY COMPANIES
— SERVING —
KINGSTON MONTEGO BAY PORT ANTONIO

BELL TELEPHONE CO.

Loss in Stations and Drop in Long Distance Traffic Hits Earnings — Plan to Clean Up $12,000,000 Loan from A. T. and T.

Adverse business conditions have appreciably curtailed operations of the Bell Telephone Co. of Canada. During 1931 the net loss in stations installed was just over 10,000, while for the past year the net loss was in excess of 61,000 telephones. In addition to the decline in number of subscribers, long distance business has fallen off with the result that earnings of the company have been substantially curtailed.

For the past year net earnings were insufficient to maintain the regular 8 per cent dividend. It was decided by the directors to reduce the disbursement to 7 per cent and early this year a further reduction of 1 per cent was put into effect.

Borrow in States

It is noted in the returns for the past two years that inadequate provisions have been made by the management to take care of the company's obligation respecting payment of interest in American funds. Heavy borrowings have been made from the American Telephone and Telegraph Co. At the end of 1931 these loans totalled $9,075,000 and at the close of 1932, $12,245,000. Against the possible payment of premium on American funds for the repayment of these loans, the company has set up a reserve of only $500,000.

Prepare for Financing

At the annual meeting the shareholders gave approval to amendments to the by-law dealing with the $50,000,000 of 5 per cent bonds authorized a year ago. Of this amount $7,500,000 already has been issued, principal and interest being payable in American funds. Another $12,500,000 is left untouched, while the directors are authorized to issue the balance of $30,000,000 in three series, with the interest rate, maturity and terms of payment to be decided upon as conditions warrant.

Any financing done this year will be solely for the purpose of cleaning up the loans made by the American Telephone and Telegraph Co. Gross additions to the plant this year are estimated at $9,300,000, largely for reconstruction and replacement of existing plant. Expenditure in this connection will be taken care of by funds provided by the depreciation and other reserves.

Long Term Outlook

Prosperity of this company, of course, is bound up with business activity in Ontario and Quebec. To date this year the company continues to report a net loss in stations installed. It is difficult to say when this loss will be stopped, but it is hardly likely, from present indications, that revenues for 1933 will show any marked improvement.

Plant facilities of the company are too great for the business offering. Some time will necessarily elapse until the present plant is fully employed. The long-term outlook for the company is favorable as communication facilities are essential.

Capitalization—	Authorized	Outstanding
Common ...... Par $100.	$150,000,000	*$77,007,700

* Of which 24.3 per cent is held by the American Telephone and Telegraph Co.

Funded Debt—
5 per cent first mortgage bonds, series "A," due March 1, 1955, $30,000,000.
5 per cent first mortgage, series "B," due 1957, outstanding $30,000,000.
5 per cent first mortgage, series "C," due 1960, $7,500,000.
Notes sold to pension fund trustee, $4,367,835.

Dividend Record—
Common—Present rate 6 per cent per annum, payable quarterly, Jan. Apr., July, Oct. 15.
Rate reduced from 8 per cent to 7 per cent July, 1932, reduced to 6 per cent with payment of 1½ per cent, due Apr. 15, 1933.

Officers and Directors—
Officers—C. F. Sise, pres.; J. E. Macpherson, vice-pres.; P. A. McFarlane, vice-pres.; E. Palm, vice-pres. and compt.; W. H. Black, sec.-treas.
Directors—Hon. T. Ahearn, Ottawa, Ont.; W. F. Angus, G. Caverhill, J. E. Macpherson, Lieut.-Col. Herb. Molson, A. B. Purvis, C. F. Sise, P. F. Sise, Montreal, P.Q.; Col. The Hon. H. Cockshutt, Brantford, Ont.; C. P. Cooper, W. S. Gifford, New York, N.Y.; K. J. Dunstan, Glyn Osler, Toronto, Ont.; Sir G. Garneau, Quebec, P.Q.; Maj.-Gen. The Hon. S. C. Mewburn, Hamilton, Ont.
Executive Committee—Hon. T. Ahearn, W. F. Angus, G. Caverhill, K. J. Dunstan, J. E. Macpherson, Lieut.-Col. H. Molson, A. B. Purvis, P. F. Sise, C. F. Sise.

Times Bond Interest Earned†:

1932	1931	1930
2.40	2.72	2.71

† After deduction of "other interest," and debt discount and expense.

Earnings per Share and Dividend Record:

Earned*	$6.16	$7.56	$7.26
Paid	7.25	8.00	8.00

* Based on shares outstanding as at December 31.

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Common	120	75	151⅛	119	159½	140

EASTERN TOWNSHIPS TELEPHONE
(Controlled by Bell Telephone Co.)

Capitalization—	Authorized	Outstanding
Common, n.p.v. ..	20,000 shs.	10,554 shs.

Dividend Record—
Common—Present rate 72 cents per share per annum payable semi-annually, April and Oct. 15.

Officers and Directors—
Officers—A. C. Skinner, pres.; H. B. Fletcher, vice-pres.; T. J. Harding, man. and sec.-treas.
Directors—J. R. Collins, R. Neilson, D. J. Rayside, W. R. Stuart, Montreal; H. B. Fletcher, T. J. Harding, A. C. Skinner, Sherbrooke, Que.; J. W. Quinn, Windsor, Que.; C. L. Jenkins, Rock Island, Que.; W. T. Oughtred, Marbleton, Que.; D. B. Hopkins, Coaticook; E. T. McGovern, Richmond.

Earnings per Share and Dividend Record:

	1931	1930
Common: Earned	$1.08	$1.95
Paid	.72	.68

FARMERS' TELEPHONE CO.
(Controlled by Bell Telephone Co.)

Capitalization—	Outstanding
Pref. stock	$99,400

Officers and Directors—
Officers—J. McKell, pres.; W. Currie vice-pres.; W. F. Welch, gen. man. and sec.-treas.
Directors — G. O. Cameron, W. R. Stuart, R. Neilson, Montreal; W. Currie, Aubrey, P.Q.; J. Sills, Ormstown, P.Q.; J. McKell, J. McKell, Riverfield, P.Q.; J. Houston, W. F. Welch, Howick Station, P.Q.

Year End. Dec. 31:	1931	1930	1929
Earnings per Share and Dividend Record:			
Preferred: Earned	$6.67	$6.36	$6.56
Paid	6.00	6.00	6.00

NEW BRUNSWICK TELEPHONE

Company Earns Dividend by Small Margin in 1932

A moderate improvement in working capital but a decline in earning power and reduction of dividends were revealed in the 1932 financial statement of New Brunswick Telephone Co. The company, controlled by Bell Telephone Co. of Canada, experienced difficult conditions last year. Long distance calls were 196,591 less than 1931, or a drop of 22 per cent, and telephones installed registered a net decline of 8½ per cent from the 1931 figure.

From an 8 per cent dividend on the capital stock in 1931, three quarterly dividends of 1⅛ per cent and one of 1¼ per cent were paid. Reduction in expenses enabled the company to cover the lower dividend charge by a small margin, and net income for the year was equal to 58 cents a share on the common stock on which a dividend of 57½ cents was paid.

New Brunswick Telephone operates in the province of the same name, its system connecting on the east with Maritime Telegraph and Telephone, and on the west with the Bell Telephone Co. of Canada. Nearly 35,000 stations are in operation, of which half are resident and rural and the remainder business telephones. New toll lines have been erected in recent years, exchanges opened and enlarged and new equipment installed.

Capitalization—	Authorized	Outstanding
Common, 8% .... Par $10.	$6,000,000	$5,285,880

Dividend Record—
Common—Present rate 5 per cent per annum, payable Jan., April, July and Oct. 15; reduced from 8 per cent to 6 per cent, April, 1932, and to 5 per cent, Jan., 1933.

Officers and Directors—
Officers—Hon. F. B. Black, pres.; J. E. Macpherson, H. P. Robinson, vice-pres.; N. E. Moore, sec.-treas.; O. J. Fraser, gen. mgr.
Directors—W. C. Allison, Dr. A. P. Barnhill, *H. P. Robinson, J. M. Robinson, Saint John, N.B.; *Hon. F. B. Black, Sackville, N.B.; R. B. Hanson, Fredericton, N.B.; E. W. Mair, Woodstock, N.B.; *J. E. Macpherson, Montreal; *Harry O'Leary, Richibucto, N.B.; *F. R. Sumner, Moncton, N.B.; N. M. Mills, St. Stephen, N.B.; G. P. Burchill, Nelson, NB

*Members of executive committee.

Years End. Dec. 31:	1932	1931	1930
Earnings per Share and Dividend Record:			
Earned	$0.58	$0.63	$0.74
Paid	0.57½	0.80	0.80

QUEBEC TELEPHONE

New Financing Undertaken During Past Twelve Months

Quebec Telephone and Power Co. controls a number of small telephone companies in the Lower St. Lawrence region, the system interconnecting with the Bell Telephone Co. and the New Brunswick Telephone Co. and other independent organizations. Properties comprise more than 2,850 miles of line included in the systems of its nine subsidiaries. There are approximately 4,350 stations installed.

During the past year the company asked its shareholders to subscribe to an issue of $200,000 6 per cent bonds, the purpose being to repay bank loans and to improve working capital position. Bonds were offered at 90 to yield about 8.75 per cent to maturity. The proportional basis upon which shareholders were asked to subscribe was $100 bond for every 33 shares of either class "A" or "B" stock held.

Capitalization—	Authorized	Issued
Class "A"	50,000 shs.	36,286 shs.
Class "B"	50,000 shs.	35,196 shs
No par value.		

Funded Debt—
As at December 31, 1931, the company had outstanding $128,100 5 per cent Series "B" bonds, due 1952, details of which are not available. One of the company's subsidiaries, La Compagnie de Téléphone Nationale, also at that date had outstanding $117,300 6½ per cent bonds, due 1939.

Dividend Record—
Last paid 20c. Jan. 2, 1931.

Officers and Directors—
Officers —— —. A. Brillant, pres.; E. Beaubien, vice-pres.; P. E. Gagnon, sec.
Officers—A. Brillant, president; E. C. A. Couillard, Rimouski, Que.; E. Beaubien, Quebec; J. A. Desjardins, Matane, Que.; J. M. Robinson, Saint John, N.B.; N. A. Timmins, Montreal.

Earnings per Share and Dividend Record:

	1931	1930
Cl. "A": Earned	$0.90	$1.17
Paid	0.80	1.60

Cl. "B": None earned or paid.

B. C. TELEPHONE

Revenues and Stations Show Decline in Past Year

Controlled by Associated T. and T.

Business conditions in the territory served by British Columbia Telephone Co. have found reflection in earnings; revenue during the first nine months of the last year dropped 6 per cent from the same period in the previous year. In the same nine months the company sustained a decrease of 5 per cent in stations. Common dividends have been reduced from a former rate of 8 per cent to a 6 per cent basis.

The company operates approximately 110,000 stations throughout Southern British Columbia and has exchanges on Vancouver Island connected by submarine cables. Considerable expansion has been undertaken in recent years and property account at the end of 1931 totalled $24,784,000, an increase of $5,000,000 over 1929.

Public investment interest is largely confined to preferred stock and bonds; nearly all the common is owned by National Telephone and Telegraph Co. Corp. of the United States which in turn is controlled by Associated Telephone and Telegraph Co.

Capitalization—	Authorized	Outstanding
Common	$4,500,000	$4,500,000
Pref. 6% cum. ..	1,000,000	1,000,000
Pref. 6% cum. ..	4,500,000	4,500,000
Par $100.		

The National Telephone and Telegraph Corp. owns 44,818 of the ordinary shares.

Funded Debt—
1st mtge. 5% bonds, series "A," due 1960, $10,000,000.

Dividend Record—
Prior Preference—6 per cent per annum, cumulative and payable Jan., April, July and Oct. 1. Paid regularly.
Preferred—6 per cent per annum, cumulative and payable Feb., May, Aug., Nov. 1. Paid regularly.
Ordinary—7 per cent per annum, payable Jan., April, July and Oct. 1.

Officers and Directors—
Officers—G. Farrell, pres.; J. Hamilton, vice-pres. and gen. mgr.; Lee W. Howell, vice-pres.; C. C. Simpson, sec.
Directors—G. Farrell, G. McPhillips, Hamilton, C. C. Simpson, Vancouver; E. C. Blomeyer, Kansas City; L. W. Howell, Chicago; Hon. G. H. Barnard, Victoria.

Times Bond or Deb. Int. Earned:

	1931	1930	1929
Before deprec. ..	4.22	*10.58	14.88
After deprec. ...	2.30	*5.13	7.70

*After deducting other interest.

Earn. per Share and Div. Record:

Pref.: Earned ..	$68.68	$73.86	$59.52
Paid	6.00	6.00	4.50
Preferred: Earned	13.93	15.08	12.23
Paid	6.00	6.00	4.50
Ordinary: Earned	7.93	9.08	7.73
Paid	8.00	8.00	6.00

MAR. TELEGRAPH AND PHONE

Reduced Earnings May Necessitate Dividend Cut

Adverse business conditions in its territory were reflected in earnings of Maritime Telegraph and Telephone Co. for 1932, and a deficit of $195,242 was reported after charges. The report for last year carries the intimation that dividends may be reduced from their present rate of 8 per cent.

Number of stations in service at the end of the year was 39,040, a loss of 1,795 stations or 4.4 per cent from the previous year. Exchange service only became perceptibly less in the latter months of the year but long-distance service recorded declining revenues from the beginning of the period. Stringent economies have been put into effect.

In the latter part of the year an issue of $500,000 of treasury bonds was approved by the Public Utilities Board, the proceeds of which were intended to be applied to liquidate bank loans. To date, however, it has not been possible to market these bonds at a satisfactory price; bank loans at the end of 1932 were $372,739.

Leading Phone Utility

Maritime Telegraph and Telephone Co. owns and operates the greater part of the communication services in Nova Scotia and Prince Edward Island. Until the hesitancy in the last year, number of telephones installed had shown steady growth and revenues had gained consistently. Much new equipment has been installed and dial systems are used entirely in Halifax while additional installations have been made elsewhere. Present policy of economy does not call for capital outlays on developments other than necessities and no large expenditures are contemplated in 1933.

Activities in Prince Edward Island are operated through a subsidiary, Atlantic Utilities Ltd. which controls the Island Telephone Co., operating the telephone system on the island. Maritime Telegraph has a 99-year lease from 1910 on the submarine cables connecting the properties with the mainland.

Preferred, 7% ...	$7,500,000	$1,500,000
Common	....	3,595,760
Par $100.		

Funded Debt—
First mortgage 6 per cent bonds, due 1941, outstanding $1,500,000.
Refunding bonds, series "A," 5 per cent, due 1956, outstanding $1,000,000.

Dividend Record—
Preferred—7 per cent per annum, payable 1st Jan., April, July and Oct.; paid regularly.
Common—8 per cent per annum, payable 31st March, June, Sept. and Dec.; paid regularly.

Officers and Directors—
Officers—O. E. Smith, pres.; J. H. Winfield, vice-pres. and man. dir.; C. A. B. Bullock, compt.; T. N. Goudge, sec.-treas.
Directors—O. E. Smith, E. L. MacDonald, A. MacKinlay, C. H. Mitchell, G. F. Pearson, J. H. Winfield, Halifax; J. E. MacPherson, C. F. Sise, Montreal; A. J. Campbell, Truro; George Killam, Yarmouth; James McConnell, Sydney; J. W. McLeod, New Glasgow.

Years End. Dec. 31:	1932	1931	1930
Times Interest Earned*	2.40	2.79	3.53

*After rent, miscellaneous deductions and other interest.

Earnings per Share and Dividend Record:

7% Pref.: Earned .	$1.24	$1.57	$2.10
Paid	0.70	0.70	0.70
Common: Earned ..	0.23	0.37	0.79
Paid	0.80	0.80	0.80

AVALON 'PHONE

Business of Newfoundland System Holds Up Well

Avalon Telephone Co., leading telephone company in Newfoundland, sustained a loss of 1,197 stations during 1932 which was offset by installation of 968 new stations, leaving a net loss for the year of 229 stations. It is stated that a point approximating stability has been reached and it is expected that 1933 will gradually see the balance restored in the company's favor.

Earnings figures for 1932 have not been made public, but in the first nine months of the year revenue declined about 4 per cent from the same period in the previous year. Prior to 1932 earnings had shown steady gains and stations installed increased substantially.

Financing was undertaken in 1930 with the issuance of $750,000 of 5½ per cent first mortgage bonds; public investment in junior securities is extremely limited. Dividends on the common stock were paid at the rate of 7 per cent during 1932.

Capitalization—	Authorized	Outstanding
Common	$300,000	$236,350
Pref. non-cum. 7%	400,000	400,000
Par $25.		

Funded Debt—
First mortgage bonds, series "A," 5½ per cent, due 1948, $750,000.

Dividend Record—
Preference—Seven per cent, payable half yearly, Jan. and July 1.
Common—Dividends have been paid as follows: 2% in 1922; 4% in 1923; 5% in 1928; 6% in 1929 and 7% in 1930, 1931 and 1932.

Officers and Directors—
Officers—Hon. J. J. Murphy, pres.; R. J. Murphy, vice-pres. and man. dir.; J. D. Cameron, sec.-treas.; J. Healy, supt.
Directors—Hon. J. J. Murphy, R. J. Murphy, J. D. Cameron, G. Brownrigg, M. E. Martin, Hon. A. E. Hickman, St. John's, Newfoundland; J. H. Winfield, Halifax, N. S.

MACKAY COS.

Large Holding Company Has World-wide Interests — Revenue Down

The Mackay Companies subsidiary of Postal Telegraph and Cable Corp., owns all the capital stock of Commercial Cable Co. and also owns the whole or a part of the capital stock of a number of telegraph and cable companies in the United States, Canada and Europe, including the land line system known as the Postal Telegraph System. Commercial Cable System crosses both the Atlantic and Pacific Oceans, directly connecting France, Great Britain and China with the United States.

As a holding company, Mackay Companies derives income from investments in controlled and associated companies. The annual statement of the company will appear shortly and if the 1931 trend is continued will show a reduction in income from investments. In 1931, the combined operating results of associated companies showed a loss but Mackay Companies had a net profit of $3,773,132 available for dividends. Net earnings of Postal Telegraph and Cable Corp., the parent company, were insufficient to cover bond interest requirements during 1932.

Ship New Brunswick Timber

Six steamships are under charter to carry full cargoes of hardwood and spruce from the Port of Saint John to the United Kingdom, and will take an aggregate of approximately 8,600,000 feet board measure. Smaller shipments by liners calling at the Bay of Fundy port during the winter season have been steady, and are continuing. The lumber movement is providing considerable work in Saint John and lumber operators estimate that fully 1,000 men are employed in the woods in the southern section of the province.

Sea Fisheries Catch in 1932

Fish caught in the sea fisheries of Canada in 1932 totalled 711,917,800 pounds valued at over $11,000,000. Of the total catch British Columbia accounted for 327,631,900 pounds; Nova Scotia, 194,788,800 pounds; New Brunswick, 98,594,800 pounds; Quebec, 67,164,300 pounds and Prince Edward Island, 23,738,000 pounds.

New Dairy in Saint John

Modern Dairies Limited, a new concern in which Saint John and King's county producers are interested, are about to open new premises in Saint John. The company is incorporated at $60,000.

BRAZILIAN TRACTION

Dividends Prevented by Failure of Exchange, But Revenues in Milreis Fairly Good Despite Rebellion and Unsatisfactory Trade

Brazilian Traction, Light and Power Co. gross earnings for 1932, as measured in Canadian dollars, were $29,358,420, a decline of 15.87 per cent. Net earnings were $16,789,333, or 19.71 per cent less than in 1931. 1931 earnings had shown a 26 per cent reduction in gross from 1930 and a 24 per cent reduction in net earnings. In 1931 there had been a decline in operating expenses of 28 per cent, while in 1932 expenses were down 10.13 per cent.

The important part played in reducing earnings by exchange fluctuations may be seen in the fact that the value of the milreis on the average in 1928 was 12.06 cents, in 1929 was 11.97 cents, in 1930 was 10.88 cents and in 1931 was 7.11 cents with the probability that 1932 average may be lower. This is not certain as quotations are not decided by the free play of supply and demand for currency. Any company desiring to send funds out of Brazil has to apply to the Bank of Brazil for the necessary permission and it sets the rate.

Serves 3,000,000 People

Because of this difficulty of getting funds exchanged from milreis into Canadian dollars, cash dividends of Brazil amounted to only 25 cents in 1932 and to 4 per cent in stock while the payment due on December 1, 1932, was passed.

Incorporated in 1912, Brazilian Traction controls through its controlled and subsidiary companies the street railway, electric light and power, gas and telephone business in the cities of Rio de Janeiro, Sao Paulo, Santos and adjacent territories. It serves an urban population of 3,000,000 in the Federal Districts of Sao Paulo, Rio de Janeiro and Minas Geraes in Brazil.

The last available balance sheet for 1931 showed tangible assets exceeding $329,000,000 and a funded debt of nearly $60,000,000.

Has Expanded Rapidly

The company has had remarkable expension in the last decade without sacrifice of financial strength. Current assets at the end of 1931 were $23,308,265, just 3.03 times current liabilities of $7,677,969. In the preceding year the ratio had been 2.06 to 1.

Inability to send out dividends caused the liquid assets to become greater in 1931. It is believed that the liquid position has been improved in 1932 as well.

During 1931 expenditures on properties of subsidiary companies amounted to $5,800,000. But expansion plans have been slowed up in 1932, awaiting better business conditions in Brazil. That country has been able to balance its budget and has shown a favorable trade balance, but its great coffee surplus and low prices resulting from the fact that it can be marketed only over years, still exert a paralyzing influence on international transactions. There was a rebellion during the year which limited business of some of the subsidiaries of the company.

Brazilian's future is bound up with that of Brazil. It is a country of great resources and eventually should do well. Anything which improves the exchange will help the company and later help the shareholders. Dividends are uncertain until Brazil's troubles are on the road to being solved.

Capitalization—	Authorized	Outstanding
Ordinary .... No par value.	*7,600,000 sh.	6,754,625 sh.
Pref. 6% ...... Par $100.	$10,000,000	$393,400

* Authorization of ordinary shares subject to increase up to a total of 7,933,333 shares by conversion of preference shares.

Funded Debt of Subsidiaries—	
Rio de Janeiro Tram., Light, Power bonds, 5%, 1st mtge., due 1935	$25,000,000
Bonds 5% mtge., due 1958 ...	19,092,148
5% 22-yr. bonds, due 1950 ...	1,314,737
Jardim Botanico Tramways, 5%, 1st mtge., due 1951 ...	£1,400,000
Sao Paulo Tram., Light, Pwr. Perp. cons. deb. stock, 5% .	3,999,996
Sao Paulo Electric, 1st mtge. bonds, 5%, due 1962	9,733,333
Brazilian Telephone, 6% 1st mtge., due 1949, ...	7,500,000
City of Santos Improvements, 5% debs., due 1938	316,633

Dividend Record—

Preferred—6% per annum, cumulative. payable quarterly, Jan., Apr., July, Oct. 1.

Ordinary—None at present. In 1930, due to exchange situation in Brazil, company instituted payment of stock dividends in lieu of cash. Stock dividend of 1% was paid March 1, 1930, in addition to 50c. cash dividend; cash dividends of 50c. paid June and Sept. 1, 1930; 2% stock dividend Dec. 1, 1930, and March and June 1, 1931; cash dividends of 25c. Sept. and Dec. 1, 1931, and March 1, 1932. Stock dividends of 2% paid June 1, and Sept. 1, 1932.

Officers and Directors—

Officers—Miller Lash, pres.; H. H. Couzens, executive vice-pres. at Brazil; E. R. Wood, R. C. Brown, H. H. Hubbard, A. W. K. Billings, vice-pres's.; A. W. Adams, sec. and treas., Toronto; assist. sec's.; D. H. Cromar, Toronto; W. D. Hooper, London.

Directors—D. B. Hanna, Miller Lash, Hon. F. H. Phippen, Sir John Aird, Right Hon. Sir T. White, R. C. Brown, Toronto; Sir. A. Mackenzie, London and Rio de Janeiro; H. M. Hubbard, A. P. Holt, London, Eng.; R. O. Hayward, New York; A. W. K. Billings, H. H. Couzens, Rio de Janeiro; J. W. McConnell, Montreal, Que.; E. R. Wood, Walter Gow, Toronto.

Years End. Dec. 31.

Earnings per Share and Dividend Record:

	1931	1930	1929
Pref.: Earn.	$2,386.66	$4,119.30	$4,038.59
Paid	6.00	6.00	6.00
Ord.: Earned	1.39	2.50	2.67
(n.p.v.) Pd.	$0.50+*4%	1.50+*3%	2.00

* Stock dividends.

Earnings—

Twelve Mos Ended Dec. 31:	1932 $	1931 $	Decrease $
Gr. earn.	29,358,420	34,896,767	5,538,347
Oper. exp.	12,569,087	13,986,350	1,417,263
Net earn.	16,789,333	20,910,417	4,121,084

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Ord.	14¾	7¾	28½	7⅞	55¼	19½

BARCELONA TRACTION

Spanish Company Increases Peseta Earnings But Continued Fall in Value Makes Foreign Payments of Dividends and Interest Difficult

Barcelona Traction, Light and Power Company has not been able to send dividends to its Canadian shareholders since 1931 because of the sharp fall in the value of the Spanish peseta. Measured in pesetas the company earned, in 1932, 111,301,962 pesetas, more than 4,000,000 pesetas above the earnings of 1931. The aggregate net earnings also in 1932 at 73,692,376 pesetas showed a gain of 3,138,273 pesetas.

Changed to Canadian dollars, operating revenue and operating profits will probably show decreases when the annual statement is published. In 1931 there was an increase of pesetas, but translated into Canadian dollars, a decline of 33 per cent.

Improved operating position is offset in nearly every country where Barcelona Traction has commitments by the fact that the peseta is at a discount. The Spanish peseta showed the greatest deviation from par of exchange in Canadian funds with the single exception of the Japanese yen, according to a chart appearing in The Financial Post during December, and covering 36 countries. Late in November, 1932, the peseta was at a discount of 50.9 per cent of par in Canadian funds.

Barcelona Traction, Light and Power Co. was incorporated in 1911 under Dominion laws. Through its subsidiaries it manufactures and distributes and sells hydro-electric power and bituminous gas for commercial and domestic purposes in northern and eastern Spain. The company has two producing subsidiaries. A group of distributing and selling subsidiaries operate throughout the province of Cataluna.

Last report showed an excess of current liabilities over current assets of half a million dollars, but this was an improvement from the previous year when the deficiency had been two and a half million dollars.

Capitalization—	Authorized	Outstanding
Common .... No par value.	2,500,000 sh.	1,798,854 sh.

Funded Debt—	
Cons. prior lien 6½ per cent bonds, due 1956	$13,626,667
6 per cent bonds, due 1972	12,353,029
5½ per cent 1st mtge. bonds due 1974	8,163,152
Outstanding bonds issue of con. companies	36,744,450

Dividend Record—

None at present. Last paid 50c. Mar. 14, 1931.

Officers—H. M. Hubbard, chn.; Henri Speciael, pres.; R. C. Brown, vice-pres.; Miller Lash, vice-pres.; R. H. Merry, sec.-treas.; W. D. Hooper, J. S. Holmested, asst. secs.

Directors—H. M. Hubbard, M. Bauwens, R. C. Brown, Miller Lash, C. D. Magee, E. R. Wood, J. H. Plummer, Toronto; Marques de Alella, Domingo Sert, F. Fraser Lawton, Marques de Foronda, Barcelona, Spain; D. N. Heineman, Henry Speciael, Brussels; Walter Gow, Rt. Hon. Sir T. White, Toronto.

	1931	1930	1929
Times Bond Int. Earn.*	1.96	2.53	2.68

* After depreciation, administration and reorganization expense.

Earnings per Share and Dividend Record:

Ordinary: Earned	*$0.81	$1.12	†$1.44
Paid on old shs. .	...	0.50	0.50
Paid on new shs.	0.50	1.00	...

* Based on shares outstanding as at December 31 in each year. † Under participation feature.

Earnings—

12 Mos. Ended Dec. 31:	1932	1931	% Incr.
Gr. earnings	111,301,962	107,291,991	3.74
Oper. exps.	37,609,586	36,737,888	2.37
Net earnings	73,692,376	70,554,103	4.45

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Common	10¼	10¼	24	8½	30	21

HYDRO SECURITIES

House Set in Order Following Decline in Holdings

Position of Hydro-Electric Securities Corp., in common with other investment trusts, has been seriously affected by decline in market values. A revision of capital structure was undertaken two years ago, which has substantially reduced the number of preferred shares outstanding and which wrote $26,808,895 off common share capital, against depreciation of investment holdings.

Earnings in 1932 are expected to reveal a decline, and no dividends have been paid on the common since March, 1932. Through cancellation of a block of class B preferred entailed in the revision of structure, total dividends paid last year amounted to around $647,000 compared with $2,476,393 in the previous year.

Further depreciation in the company's investment portfolio may be anticipated. At the end of 1931 investments were carried at $26,272,432, which included provision for a depreciation of $26,808,895 from cost value.

May Redeem Preferred

Shareholders approved a by-law last year which enabled the company to purchase its own stock, at prices not above par. It is expected that balance sheet at the end of 1932 will reflect the purchase and cancellation of a small block of class B preferred shares.

Capitalization—	Authorized	Outstanding
Common ...... No par value.	2,000,000 sh.	1,476,393 sh.
Class "A" pfd. 5 per cent ...... Par $100.	30,000,000	nil
Class "B" pfd. 5 per cent ...... Par $10.	10,062,000	10,062,000

Dividend Record—

Class "B" Preferred—50c. per annum, cumulative, payable half-yearly, Feb. and Aug. 1. Extra dividend of 7½c. paid Jan., 1931.

Common—None at present. Last paid 10c. Mar., 1932.

Officers and Directors—

Officers—F. B. Common, pres.; C. L. Fisher, vice-pres.; A. H. Lang, sec.; Dr. H. F. Parshall, consulting engr. and technical adviser.

Directors—G. H. Montgomery, F. B. Common, Hon. G. W. Scott, Montreal; C. L. Fisher, Major A. Pam and Dr. H. F. Parshall, London, Eng.; Charles Fabri, Count Eugene de Hemricourt de Grunne, Count R. Van der Straten-Ponthoz, Henri Wauters and Jean Washer, Brussels; P. N. Gray, New York; Fernand Maillot, Paris.

Earnings per Share and Dividend Record:

Class "B" pref.:	1931	1930	1929
Earned† ...	*$1.48	$2.10	$1.40
Earned‡ ...	1.48	3.71	3.46
Paid	0.50	50c+■7½c	0.50
Common:			
Earned† ...	1.33	♦2.07	1.94
Earned‡ ...	1.33	♦4.25	6.42
Paid	1.00	2.00	1.00

†Based on ordinary income.

‡Based on ordinary and extraordinary income.

■Supplementary dividend under participation of profits of $0.07249667.

♦After allowing for supplementary dividend on class "B" preferred.

*Based on 2,000,000 shares. On the basis of the number of shares outstanding after capital reduction earnings would be $2.95 per share.

Market Record:	1932	1931	1930
Common: High	11½	29¼	55½
Low	4¾	8	21

OTTAWA TRACTION

Earnings Go Unchanged — Higher Tariff is Sought

Operations of Ottawa Electric Railway, subsidiary of Ottawa Traction Co. did not result in any material improvement in the company's earning power last year. Income was sufficient to take care of depreciation, bond interest and taxes, but the small balance did not permit any distribution on the capital stock, upon which no dividends have been paid since 1927.

Earnings of Ottawa Traction are solely dependent upon operations of Ottawa Electric. All of the operating company's securities are owned by the holding company which has issued $2,682,500 of first mortgage bonds and $5,607,600 of capital stock. No dividends have been paid on the latter since January 2, 1928.

Want Higher Fare

Ottawa Electric holds a perpetual franchise to operate the entire street railway system of Ottawa. Such franchises have been shown on many occasions of late to have little or no value. Conditions surrounding Ottawa Electric are no different from those of the majority of tram companies. Attempts to secure increased fares have been blocked.

The present rate agreement of Ottawa Electric with the city expires in 1933 next August. The tram company is seeking for a straight 10 cent cash fare, as compared with the present schedule 7 cents or four tickets for 25 cents. A year ago the company proposed such a change but in addition asked that it be relieved of the obligation of snow removal on car line streets and of paying the annual mileage tax. It also asked to be permitted to use one-man cars on all lines. The city, at that time refused the offer.

The matter of rates has been taken before the Board of Railway Commissioners. Representations made before the commission by the city were to the effect that a 10 cent cash fare and continued sale of four tickets for a quarter would be agreeable. The matter has not been decided.

Capitalization—	Authorized	Outstanding
Common ...... Par $100.	$10,000,000	$5,607,600

Funded Debt—	
1st mtge. and collat. trust "A" bonds, 5½%, due 1955	$2,682,500

Dividend Record—

Common—None at present. Formerly 4 per cent per annum, payable Jan. 2, Apr. 1, July 2 and Oct. 1. None paid since Jan. 2, 1928.

Officers and Directors—

Officers—Hon. T. Ahearn, pres.; Major F. D. Burpee, vice-pres.; G. L. Snelling, sec.-treas.

Directors — Hon. T. Ahearn, T. F. Ahearn, M.P., T. Workman, G. F. Henderson, Col. G. P. Murphy, Major F. D. Burpee, Capt. O. G. Whelen, Ottawa; H. W. Soper, Montreal.

PROFIT AND LOSS ACCOUNT

The company's only income is that received as dividends on the shares of Ottawa Electric Railway Co. As that company paid no dividends for the years ending Dec. 31, 1928-1932, there were no dividends paid on the shares of the Ottawa Traction Co. in those years.

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Common ..	10	8	25	25	34	30

OTTAWA ELECTRIC RAILWAY
(Controlled by Ottawa Traction Co.)

Capitalization—	Authorized	Outstanding
Common ...... No par value.	40,000 shs.	*35,197 shs.

*Of which the parent company holds 35,047 shares.

Funded Debt—

First mortgage 5½ per cent bonds, series "A," due 1955, outstanding $2,705,700. The entire issue pledged as security for parent company's bonds.

Dividend Record—

Common—8 per cent paid in 1927. None since.

Officers and Directors—

Officers—Hon. T. Ahearn, pres.; Major F. D. Burpee, vice-pres.; G. L. Snelling, sec.-treas.; J. M. Ahearn, asst. mgr. and pur. agent; A. J. Tobin, supt.

Directors—Hon. T. Ahearn, Major F. D. Burpee, T. Workman, T. F. Ahearn, G. F. Henderson, Col. G. P. Murphy, Capt. O. G. Whelen, Ottawa; H. W. Soper, Montreal.

Times Bond and Other Interest Earned:

	1932	1931	1930
Before depreciation..	3.08	3.32	3.36
After depreciation ..	1.30	1.66	1.67

Earnings per Share:

Common: Earned ..	$0.90	$2.44	$2.59

No dividends paid.

DOM. TELEGRAPH

Receives Fixed Income Sufficient for Bond Interest

Dominion Telegraph Securities occupies a position somewhat similar to that of Montreal Telegraphs, in that its income is limited to the amount of money received from leased lines. Incorporated in 1924, the company acquired properties of the Dominion Telegraph Co. In 1879 these properties had been leased for 99 years to the American Union Telegraph Co., which in turn assigned its lease to Western Union, and Western Union assigned to Great North Western Telegraph Co. that part of the system which lies west of New Brunswick.

Great North Western Telegraph, being now part of the Canadian National Railways system, is operated through that organization, which has acknowledged the obligation of the original lease, which calls for an annual rental of $62,500.

Income is sufficient to pay interest on the company's bonds, while the company has additional money invested sufficient to take care of redemption of bonds outstanding and also to provide a bonus for holders of the bonds at maturity.

Capitalization—	Authorized	Outstanding
Common .... Par $100.	$40,000	$40,000

Funded Debt—	
Sinking fund mtge., 5½ per cent bonds, series "A" and "B," due 1978	$1,000,000

Officers and Directors—

Sir H. M. Pellatt, pres.; L. E. Macrae, 1st vice-pres.; A. Jarvis, 2nd vice-pres.; A. W. Hodgetts, sec.-treas.; Col. R. Pellatt, all of Toronto

Cities Heating Co.

Cities Heating Co. operates a central steam heating plant in London, Ontario, and also produces power. The company operates under a 30 year franchise. Control of the company is closely held and no balance sheet is issued to the public. Public interest is confined to an issue of 6 per cent first mortgage bonds of which here remains some $170,000 outstanding.

Earnings in the current year are reported to be ahead of earnings a year ago and the bonds seem to be well secured.

Capitalization—	Authorized	Issued
Preferred 7% cum. Par $100.	$100,000	$100,000
Common .... No par value.	3,000 shs.	3,000 shs

Funded Debt—

1st mtge. 6 per cent bonds, due 1948, issued $170,000.

Officers and Directors—

W. E. Greene, pres.; J. S. Moore, vice-pres.; A. W. White, D. B. Weldon, S. D. Swift, K. C. Greene, (Miss) E. M. Woodward, treas.

TWIN CITY TRANSIT

Minneapolis-St. Paul System Revenues Are Inadequate for Dividends

Twin City Rapid Transit Co., because of increasing severity of the business depression in the area which it covers, found it necessary to pass the dividend on its preferred stock ordinarily due April 1, 1932. Its gross income for 1932 at $9,117,559 compared with $10,631,121 in 1931; its net earnings were $1,349,960 as against $1,637,195 in 1931; and net profit after rent and interest was $40,844 whereas in 1931 it had been $324,499.

A meeting of preferred and common shareholders was held in Jersey City on December 5, 1932, to change the common stock from a par value of $100 to shares of no par value, and to carry the common stock on the company's books at $11,000,000 instead of $22,000,000 as formerly. The proposed change was approved, creating a capital surplus of $8,724,412, and fixed assets were also reduced about $2,600,000 because of the abandonment of several losing lines.

Business Falls Off

Twin City Rapid Transit Co., which was incorporated under New Jersey laws on June 4, 1891, owns and controls through operating subsidiaries the entire street railway systems of Minneapolis, Saint Paul and vicinity. It also owns all of the local bus lines between Minneapolis and Saint Paul, as well as several suburban bus routes. Its lines serve an area exceeding 255 square miles with a population over 800,000. It has a steam turbine electric power generating plant of 75,000 k.w. capacity and 12 substations. Water power at St. Anthony Falls has a capacity of 22,000 h.p. The company employs 2,800 people.

Since 1920 the company has experienced a reduction in passengers carried of about 107,000,000. Of this decrease nearly 45 per cent occurred in the last three years.

Starting in the middle of 1931 several reductions in salaries and wages have occurred of executives, trainmen and other employees. Labor costs for 1932 were $811,270 under 1931. By these various means working capital was pretty well maintained during 1932, though cash was lower by nearly $700,000. Current assets of $2,226,411 were 2.66 times current liabilities of $836,080.

Capitalization—	Authorized	Outstanding
Common ...... No par value.	220,000 shs.	220,000 shs.
Pref. 7% cum. Par $100.	3,000,000	3,000,000
Funded Debt—		
First lien and refund bonds, series "A" 5½% due 1952	18,000,000	17,891,000
Secured div. notes 6%, due 1937 ..	880,000	880,000
St. Paul City Rly. bonds, 6%, due 1934	1,000,000	159,000
Bonds, 5%, due 1937	5,500,000	3,708,000
Twin City Motor Bus 1st Mtge. 5%, due 1927 to 1936	90,000	60,000

Dividend Record—

Preferred—7 per cent cumulative payable quarterly Jan. April, July and Oct. 1. Paid regularly to and including Jan. 2, 1932, since passed.

Common—None. Last paid $2 in dividend notes and scrip certificates Jan. 15, 1931.

Officers and Directors—

Officers — T. J. McGill, pres.; E. W. Decker, vice-pres.; A. M. Robertson, vice-pres. and sec.; E. A. Crosby, treas.; A. D. Starkey, asst. treas.; D. J. Strouse, compt.; S. Macdonald, asst. compt.

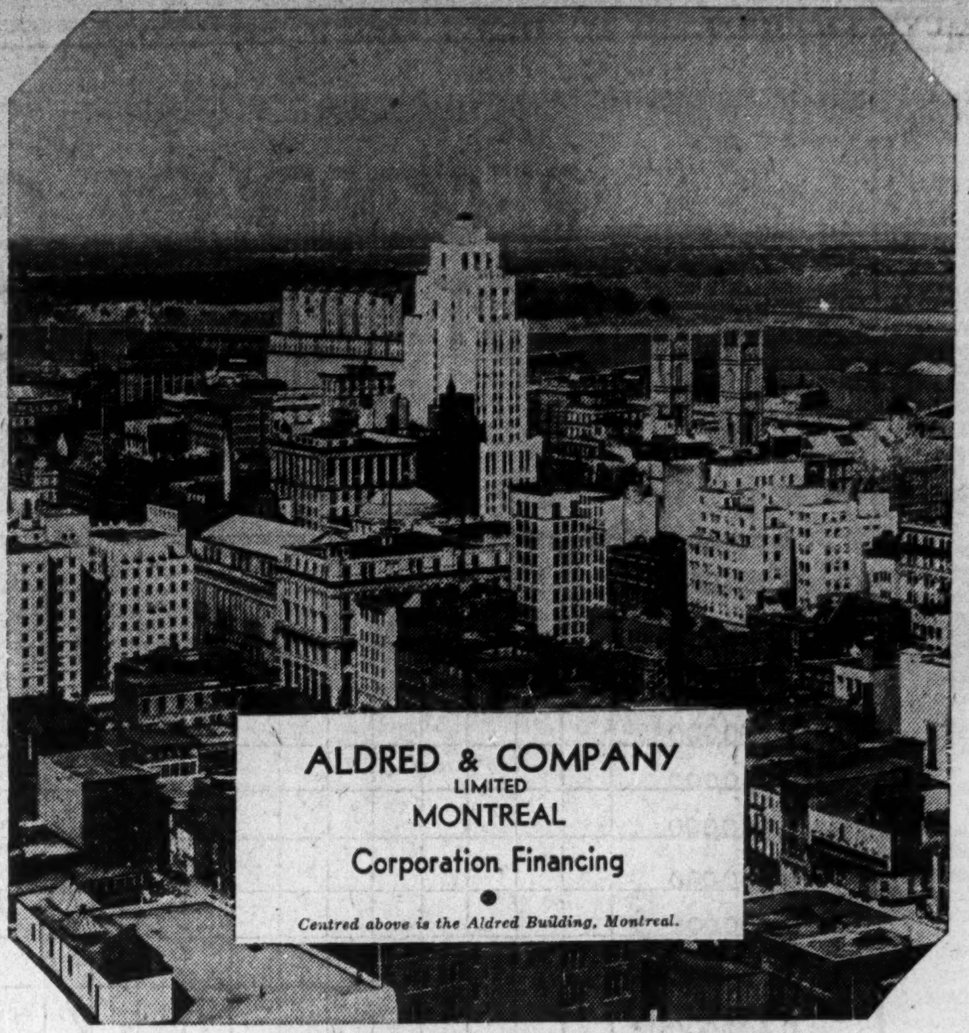
Directors—A. F. Pillsbury, J. R. Mitchell, Minneapolis, Minn.; J. A. Cathcart, Chicago, Ill.; E. W. Decker, Minneapolis, Minn.; F. Bergen, Newark, N.J.; A. E. Ames, Toronto; C. Hayden, New York; T. J. McGill, Minneapolis, Minn.; W. O. Washburn, J. F. Fitzpatrick, St. Paul, Minn.; Hon. F. Carrel, Quebec, P.Q.

	1932	1931	1930
Times Cons. Bond Int. Earned:	1.15	1.38	1.98
Earnings Per Share and Dividend Record:			
Preferred:			
Earned	1.36	$10.82	$36.29
Paid	nil	7.00	7.00
Common:			
Earned	nil	0.52	3.99
Paid	nil	nil	4.00

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Common ..	5	2	17¼	2½	32½	7
Preferred*	24½	7	62	11½	79	44¾

* New York Exchange.



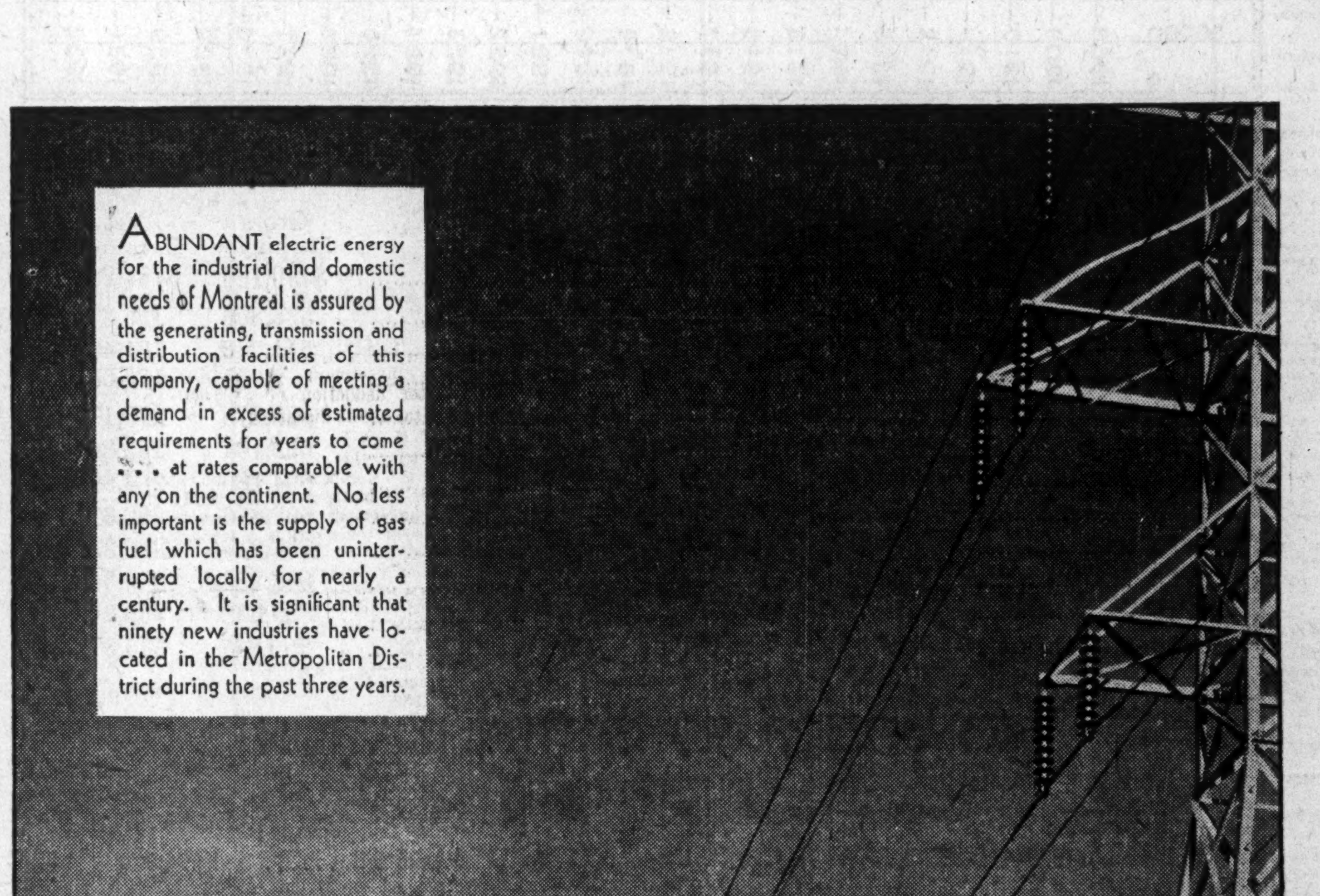
ALDRED & COMPANY
LIMITED
MONTREAL
Corporation Financing
•
Centred above is the Aldred Building, Montreal.

Duluth Superior Traction

Duluth Superior Traction Co. has been in receivership since 1930 and no financial statement or information has been made public. The company controls the Duluth Street Railway which serves the cities of Duluth, and Superior, Wis. Officials of the company cannot say when a proper statement can be made since this depends upon action taken by the United States District Courts.

Employ 17,000 Workers

Central electric stations gave employment to 17,014 workers in 1931, over half of whom were employed by municipal stations. Salaries and wages paid totalled $26,306,956.



ABUNDANT electric energy for the industrial and domestic needs of Montreal is assured by the generating, transmission and distribution facilities of this company, capable of meeting a demand in excess of estimated requirements for years to come . . . at rates comparable with any on the continent. No less important is the supply of gas fuel which has been uninterrupted locally for nearly a century. It is significant that ninety new industries have located in the Metropolitan District during the past three years.

MONTREAL LIGHT HEAT & POWER
CONSOLIDATED

MEXICAN LIGHT

Taxation and Exchange Continued Chief Obstacle to Profits

Monthly reports of the Mexican Light and Power Co. and subsidiaries for the 11 months ending November 30, showed gross earnings of 23,835,210 pesos, an increase of 9.13 per cent. Operating expenses and depreciation, due to heavy increases in taxation, also increased 22½ per cent and, therefore, net earnings for the year were down 8.31 per cent at 8,732,640 pesos.

The company was incorporated under Dominion laws in 1902 and is controlled by Mexico Tramways Co. It controls and operates the lighting and power system in the City of Mexico and the Federal District of Mexico. Operations are carried on through wholly owned subsidiary companies which supply power and distribute light to part of the territory served by the company.

Dividends Are Dropped

It has not paid dividends on either its 7 per cent preferred, or its 4 per cent second preferred since May 1, 1931, because of the general business and financial depression in Mexico and more particularly because of the difficulties encountered by the company when the Mexican monetary system was completely changed to a silver base. Special taxation was imposed as well to meet the Mexican Government budget deficit, while the silver peso fell in value and exchange became very uncertain. The company was also under the necessity of conserving cash, having regard to its accruing bond interest and sinking fund payments which had to be met out of Canadian funds. Matters got worse in 1932.

Bond interest was defaulted as a result of revolutionary disturbances from 1914 to 1920 and a bondholders' committee was formed to represent interests of parent company and all subsidiaries. The company's receivership ended September 30, 1921, and final arrangements were made in 1927 to liquidate arrears of interest.

Started Large Projects

In 1927 the company started the construction of what is known as the Tepuxtepec development with a planned capacity of 120,000 h.p. from 4 units. A large dam was constructed across the Lerma River in connection with this development. In 1928 the company acquired the light and power plant of the city of Toluca, about 40 miles from Mexico City.

Working capital of this company at the end of 1931 was quite strong, cash and accounts receivable being high and would be higher still if Federal State and Municipal Governments paid large amounts owing. Bond interest was earned 1.51 times in that year.

Capitalization—	Authorized	Outstanding
Common ...... No par value.	250,000 sh.	135,850 sh.
2nd pf. 4% cum. Par $5.	$5,700,000	$5,700,000
Pref. cum. 7% Par $100.	6,000,000	6,000,000
Funded Debt—		
First gold sinking fund 5%, due '40	12,000,000	10,723,000
2nd mtge. 5% bonds due 1968	14,600,000	14,600,000
6% inc. bonds*	11,775,859	11,246,000
Ten-year unsecured non-int. bearing notes, due 1937	3,532,758	1,172,758
Gen. unsecured 7½% bonds ...	5,000,000	3,500,000
Companies controlled by the company:		
Mexican Electric Light, 5% first mtge. bonds, due 1942		†$5,221,400
Pachuca Light & Power, 5% first mtge. bonds, due 1967		†$3,893,333

*All owned by parent company.
†Guaranteed by parent company.

Dividend Record—
Preference—7 per cent per annum, cumulative, payable May and Nov. 1. Paid to and including May 1, 1931; none since.
Second Preference—4 per cent per annum, cumulative, payable May and Nov. 1. Paid to and including May 1, 1931; none since.
Ordinary—None paid since 1913.

Officers and Directors—
Officers—Miller Lash, chm.; G. R. G. Conway, pres. and man. dir.; H. M. Hubbard, R. C. Brown, vice-pres.; W. H. Fraser, gen. mgr.; R. H. Merry, sec., Toronto; P. Mendez y Mendez, J. S. Holmested, W. D. Hooper, asst. secretaries.
Directors—Miller Lash, R. C. Brown, E. R. Wood, Rt. Hon. Sir T. White, W. Gow, C. D. Magee, J. A. Ready, Toronto; H. M. Hubbard, A. P. Holt, R. O. McMurtry, London, Eng.; G. R. G. Conway, Mexico City, Mex.; Henri Speciael, D. N. Heineman, Brussels; Francisco de A. Cambo y Batlle, Barcelona.
Bondholders' Committee—H. M. Hubbard, chm.; G. C. Cassels, H. F. Chamen, R. Fleming, A. P. Holt, Sir A. Roger, Henri Speciael.

Times Bond Interest Earned:	1931	1930	1929
After deprec., etc..	1.51	1.77	1.86
Earnings per Share and Dividend Record:			
First pref.: Earned	$8.49	$19.42	$19.63
Paid	3.50	7.00	7.00
2nd pref.: Earned.	*0.079	0.65	0.66
Paid	0.10	0.20	0.20
Ordinary: Earned.	nil	3.81	3.90
None paid.			

*After full year's first preference dividend.

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Common ...	—	—	45	35	80	60½
Preferred ...	—	—	..	..	69¾	..

"Fine Leadership"

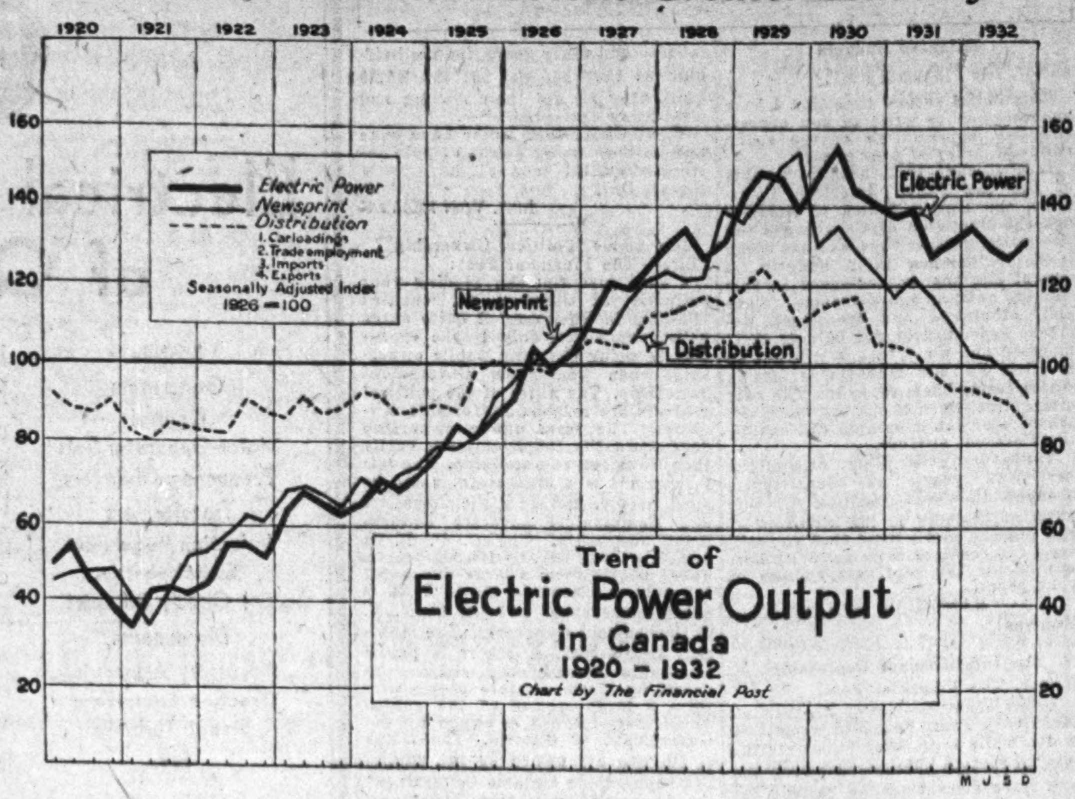
"The Financial Post is so excellent and its analysis of the current situation so broad and constructive in its viewpoint that I would not be loyal to my friends if I did not avail myself of this opportunity of placing your paper in their hands."

—British Columbia Reader.

"I fully appreciate the fine leadership in journalism being maintained by The Post. We need much intelligent frankness in public utterance."

—Ontario Bank Manager.

Power Production Records Greater Stability



Trend of Electric Power Output in Canada 1920 - 1932

Chart by The Financial Post

In the above chart, showing the trend of electric power output since 1920, the close relationship with newsprint up to 1928 is apparent. Since that time the trend of power output has been along more independent lines, due in part to the increased demand for use of electricity in steam boilers. This new outlet for electricity has provided a growing and important market for the industry and has done much to maintain operations at a relatively high level.

MONTREAL TRAMWAYS

Commission's Report for 1932 Reveals Substantial Deficit — Draw Upon Surplus — Savings Planned for Current Year

Controlled by United Securities Corp.

Financial statement for 1932 of Montreal Tramways Co., control of which is held indirectly by Shawinigan Water and Power Co. and Montreal Light, Heat and Power Consold., is expected to make its appearance this month. Preliminary indications are that income will be sufficient to take care of all senior charges, but earnings on the capital stock are likely to be less than $10 a share. In support of this, attention is drawn to the recent action of the directors in reducing the stock dividend from $10 to $9 a share.

Montreal tram operations have not been overly good in the last twelve months. The Commission's report shows a sharp decline in the number of passengers carried. After making allowances due to the company, the Commission reported a deficit of more than $270,000, which was increased by another $500,000 in order to take care of the annual rental of $500,000 to the city. This deficit of more than $770,000 was taken care of by making special appropriations from three of the reserves.

Prospects are that no material improvement will take place in 1933 so that the commission may find some difficulty in finding sufficient funds to cover allowances made to the Montreal Tramways Co. under the terms of the agreement entered into between the city and the company.

Agreement is Helpful

The relatively sound showing made by Montreal Tramways Co. to date is largely due to the existence of this agreement which provides for the maintenance of fares at a level sufficient to meet all operating expenses and taxes; ample funds for maintenance and renewals; a return of 6 per cent on the fixed capital value of the property, as well as 6 per cent on all additional capital and working capital; an allowance for autobus operations; an amount to be set aside each year to cover expenses of financing; an annual rental of $500,000 to the city; and a profit-sharing scheme in surplus earnings.

At the time of the agreement with the city, the original capital value of the company's property was $36,286,295. Between that time and the end of 1931, capital additions totalled $18,401,990. During the past year capital additions totalled $220,734, making a total capital investment of $54,734,020 (after deduction of $128,000 of capital assets discarded).

If there is not an advance in revenues this year, it is possible that the Commission may be called upon to make good the terms of the agreement, i.e., increase fares to cover the charges. Such a step would hardly be politic in these days and before even considering such a proposal every possible step would be taken to see that revenues were increased. Along these lines the company has initiated wage and salary reductions which are expected to be of substantial help in 1933.

Capitalization—	Authorized	Outstanding
Common ...... Par $100.	$20,000,000	$7,000,000

38,336 shares (54.77%) are held by United Securities, giving that company control.

Funded Debt—
First and refund. mtge. 5% bonds, due 1941, outstanding $21,351,000.
Gen. and ref. mtge. gold bonds: Outstanding:

Series "A" 5% due 1955	$17,714,700
Series "B" 5% due 1955	2,488,500
Series "C" 4½% due 1955 ...	2,443,100
Series "D" 5% due 1955	5,000,000
Series "E" 5%, authorized	$5,000,000, none issued.

Dividend Record—
Common—9 per cent per annum, payable quarterly, Jan., April, July and Oct. 15. Reduced from 10 per cent Jan. 14, 1933.

Officers and Directors—
Officers—J. C. Smith, pres.; Col. J. E. Hutcheson, vice-pres. and man. dir.; K. B. Thornton, gen. mgr.; P. Dubee, sec.-treas.; C. H. Boire, asst. sec.-treas.; H. E. Smith, compt.
Directors—J. C. Smith, Col. J. E. Hutcheson, H. Murray, G. H. Montgomery, G. W. MacDougall, S. Godin, Jr., Hon. C. Webster, W. C. Finley, Beaudry Leman, Hon. J. P. B. Casgrain, all of Montreal, P.Q.

	1931	1930	1929
Times Interest Earned .	1.31	1.42	1.41
Earnings per Share and Dividend Record:			
Common: Earned ..	$11.51	$14.14	$13.79
Paid	10.00	10.00	10.00

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Common ..	150	90	177	150	177	165

CAN. MARCONI

Traffic Reduction and Radio Price Cuts Check Profits

Price cutting in the radio market and restricted activity in the company's traffic division have tended to hamper earnings of Canadian Marconi Co. in the past two years. There has been a comparatively small decrease in marine business, and broadcasting has showed a slight improvement. Though radio production showed an increase in volume, heavy price-cutting has narrowed profits.

Feature of last year's developments was completion of negotiations between the British Post Office and the Bell Telephone Co. for establishment of a direct trans-Atlantic telephone service utilizing Canadian Marconi's beam system.

Common share profit of the company is still limited; earnings for 1932 are not expected to show much improvement over a net loss of $98,651 reported in 1931.

Capitalization—	Authorized	Outstanding
Common .... (Shares $1 each).	$7,500,000	$4,554,682

Officers and Directors—
Officers—Sir J. Flavelle, pres. and chm. of the board; F. Perry, vice-pres. and deputy chm.; Dr. M. L. Hersey, vice-pres.; H. M. Short, man. dir.; James Fergus, sec.
Directors—Sir J. Flavelle, Toronto; F. Perry, Dr. M. L. Hersey, Montreal; Rt. Hon. F. G. Kellaway, London, Eng.; A. E. Dyment, Toronto; G. W. MacDougall, H. M. Short, D. E. Galloway, Grant Hall, Montreal.

	1931	1930	1929
Earnings per Share	nil	$0.00 1-3	$0.03½

No dividends paid.

Market Record—(New York Curb)—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Common ..	2½	½	4½	1	9½	1½

Fewer Power Plants

Power plants in Canada decreased in number from 587 in 1930 to 559 in 1931. Losses were reported by Nova Scotia (5), Quebec (2), Ontario (4), Manitoba (1), Saskatchewan (16); British Columbia (1). Alberta reported an increase of one station.

ONTARIO POWER

Great $23,000,000 Power Enterprise Taken Over by Province

Ontario Power Service Corp., which was formed in 1930 by Abitibi Power and Paper Co. to develop a power site at Abitibi Canyon on the Abitibi Rivers, has been taken over by the Ontario Hydro-Electric Power Commission. Its $20,000,000 of 5½ per cent first closed mortgage bonds due 1950 have been bought by the province by exchanging Hydro-Electric bonds which will become due 1952, and paying successively 3½ per cent to 1937, 4 per cent to 1942 and 5 per cent later.

The initial installation consists of five units aggregating 275,000 h.p. A contract of 85,000 h.p. with Hydro is abrogated by this purchase and Abitibi Power and Paper Co., which was to take the balance of the power is under receivership.

Available outlets are now much less than when the project was undertaken, but power will be sold for mining, newsprint and other northern developments as required.

CANADA'S TRADE LEANS TO EMPIRE DURING PAST YEAR

United Kingdom Displaces United States as Chief Market

For the first time in many years the United Kingdom became, in 1932, Canada's chief export market displacing the United States, according to Hon. H. H. Stevens, speaking in Ottawa recently. Domestic exports to the United States in 1932 amounted to $162,630,779, or $15,540,901 less than to the United Kingdom while in 1931 the United States accounted for $256,942,045, or $85,407,223 more than Great Britain, and in 1930 for $395,728,375, or $160,514,461 more than Great Britain.

This change in the destination of Canada's exports came about despite the fact that it was only in the last six weeks of the year that the full force of the agreements reached at the Ottawa Conference was felt. However, in April, 1932, Great Britain instituted Imperial preferences and their effect was quickly evident. In addition to these causes, greater tariff restrictions by other countries have forced considerable quantities of Canadian goods into Empire markets.

Trend Emphatic

From July, 1932 when the Imperial Conference opened the trend has been emphatic. During the last six months the exports to the United Kingdom totalled $116,487,568 as against $102,533,809, an increase of $13,953,759 despite lowered prices. Sixty-five per cent of Canada's total export to the United Kingdom of $171,534,822 in 1932 went in the last six months of the year and 35 per cent in the six months prior to the opening of the conference.

Figures showing Canada's trade with British Empire countries show the same trend. During the last six months of 1932 the domestic exports to these sister countries totalled $137,209,418, compared with $126,483,054 in the same period of 1931, a gain of $10,726,364.

Percentage Changes

Percentage changes in trade, compiled by the Dominion Bureau of Statistics, show even more clearly the larger volume of trade with British Empire countries. Canada's exports to Empire countries in 1928 was 33.4 per cent and to foreign countries 66.6 per cent. In 1932 the proportion to Empire countries was 44.0 per cent and to foreign countries 56 per cent.

Imports have not shown the same sweeping changes but, notwithstanding, the trend toward the Empire is evident. The proportion from Empire countries in 1928 was 19.8 per cent and from foreign countries 80.2 per cent. In 1932 from Empire countries the proportion had risen to 23.3 per cent and from foreign countries had lowered to 71.7 per cent.

In 1928 the proportion of imports from the United Kingdom was 15.0 per cent and from the United States 69.8 per cent. In 1932 it was 20.7 per cent from Great Britain and 58.2 per cent from the United States.

Contract Awards Low in February

Construction contracts awarded in February amounted to only $3,149,300, a decline of over 78 per cent from the amount recorded in February, 1932, and over 6 per cent below the January, 1933, total, according to MacLean Building Reports, Toronto. The February, 1933 figure is approximately one twentieth of the February, 1929 total.

British Columbia is the only province to record a greater total in February this year than last, the comparative figures being $590,300 and $500,600. This increase is accounted for by two large contracts awarded in the province in February, 1933, one of $200,000 for a factory at Victoria and the other of $60,000 for an ore mill at Bridge River.

Contracts awarded by provinces compared with 1932 are as follows:

Construction Contracts Awarded, February,

	1933 $	1932 $
P. E. I.	....	289,900
N. S.	158,100	1,034,400
N. B.	35,000	1,699,000
Que.	1,209,500	7,079,500
Ont.	965,900	3,955,900
Man.	79,200	105,000
Sask.	15,300	38,000
Alta.	96,600	100,300
B. C.	590,300	500,600
	3,149,300	14,802,600

Canadian Securities

Dominion of Canada
Dominion Guaranteed
Provincial Government
and
Municipal Bonds

DOMINION SECURITIES CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

The PROVINCE of QUEBEC

Immensely Rich in Her Resources, to be Retained and Developed in Canada's Best Interests

WATER POWER—The physical geography of the Province of Quebec is such as to make its innumerable water falls one of its most valuable natural resources.
For the time being, the estimated available power for development has been set at some 13,000,000 horse-power (the largest figure of any Canadian Province), out of which over 3,200,000 horse-power have been developed, which figure represents about 50% of the total turbine installation in the whole of Canada.
Considerable foreign capital has been attracted and invested in this industry, which has attained a high degree of efficiency. Of course, the world depression has also in a measure affected it and caused a momentary slackening in the demand for power; but the need of electric current is now so general in modern civilization, that it is confidently expected that most power plants will return to normal capacity in no distant future.

FORESTS—Quebec's virgin forest resources are great wealth producers for the Province—not only in revenue for stumpage dues, sale of timber, et cetera, but as the mainstay of the pulp and paper industry, a source of substantial prosperity throughout the Province. Value of wood cut and of other forestry products for 1931 was $35,742,966.
Of the pulp and paper mills actually operating in Canada, 45 are in the Province of Quebec. For 1931, of the $630,176,540 invested in this industry, $309,875,059 were invested in Quebec Province.
Quebec is the leading producer both of wood pulp and paper in the Dominion. In 1931, the production of paper was $71,385,954 for 1,275,105 tons, and of wood pulp $41,884,387 for 1,513,658 tons.

MINERALS—The value of Quebec's mineral production has reached $46,454,000. The mineral possibilities of Quebec are enormous. Whilst noted in the past chiefly for its non-metallic substances—asbestos (Quebec producing 73% of the world's total production), mica, feldspar, magnesite, graphite, marble and ornamental stone—with the discovery and development of the metallic deposits in the Western part of the Province, Quebec is now an important producer of gold and copper. Mining laws in Quebec are very liberal and favor the prospector.

AGRICULTURE—Estimated gross revenue from agriculture in 1931 approximated $181,457,000. Mixed farming is highly developed, with dairy products, next to field crops, the most important branch. Some 1931 production values are as follows: Field crops, $72,801,000; dairy products, $69,561,000; poultry and eggs, $9,243,000; fruits and vegetables, $6,140,000; maple products, $1,817,000; tobacco, $336,000; oats (included in field crops), $17,945,000; farm animals, $19,509,000; wool, $534,000; clover and grass seed, $154,000; honey, $487,000.

MANUFACTURING—Quebec's hydro-electric power is not only abundant, but is the cheapest in Canada. This plus strategic location in relation to markets, splendid water and railway transportation facilities, excellent labor, and availability of raw materials, has been responsible for the Province's solid and rapid growth industrially. Manufacturing establishments in 1930 numbered 7,410, employing 204,802 workers and representing a capital investment of $1,727,064,388. The gross value of products in 1930 was $1,022,280,687.

TOURISTS—Both summer and winter tourists find Quebec Province a place of intriguing charm. Good hotels, varied scenery, good roads, winter sports, sensible, well-regulated liquor laws, historic spots, have all combined to increase tourist traffic. It is estimated that motor tourists from United States alone spent $50,000,000 in the Province of Quebec in 1932.

Government
Lieutenant-Governor, THE HON. HENRY GEORGE CARROLL

Members of the Executive Council
HON. LOUIS A. TASCHEREAU
Prime Minister, Attorney-General, Minister of Municipal Affairs and Provincial Treasurer

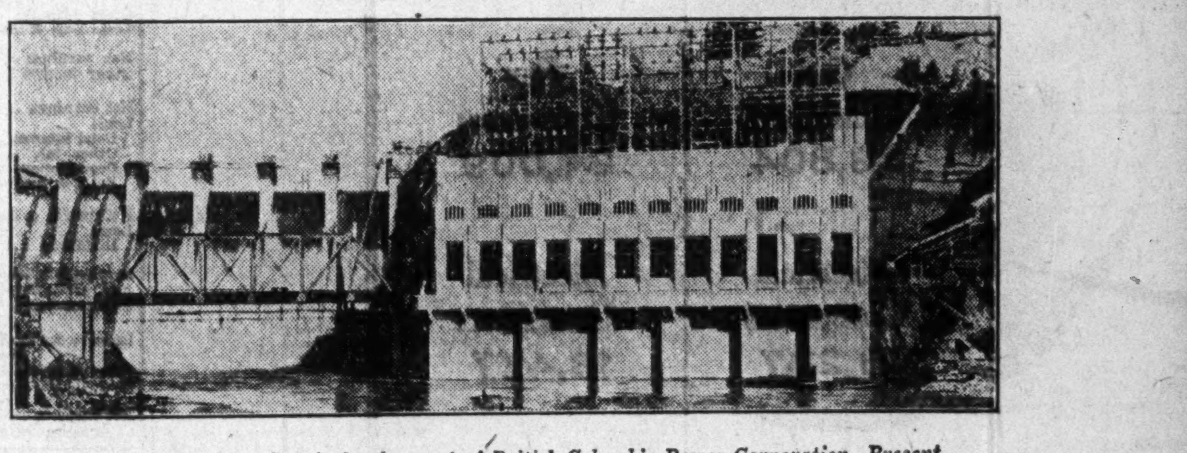
HON. HONORE MERCIER, Minister of Lands and Forests
HON. JOSEPH E. PERRAULT, Minister of Roads and Mines
HON. LOUIS A. DAVID, Provincial Secretary
HON. EMILE MOREAU, Minister without portfolio
HON. LAUREAT LAPIERRE, Minister without portfolio
HON. JOSEPH H. DILLON, Minister without portfolio
HON. HECTOR LAFERTE, Minister of Colonization, Game and Fisheries
HON. J. N. FRANCŒUR, Minister of Public Works
HON. J. ADELARD GODBOUT, Minister of Agriculture
HON. GEORGE BRYSON, Minister without portfolio
HON. CHARLES J. ARCAND, Minister of Labour
HON. R. F. STOCKWELL, Provincial Treasurer

For further information write

Office of the Premier, Province of Quebec, Quebec

Dr. L. J. Lemieux, Agent General for the Quebec Government, 2 Cockspur Street, Trafalgar Square, London, S.W. 1

POWER CORPORATION OF CANADA LIMITED



The Ruskin hydro-electric development of British Columbia Power Corporation. Present capacity 47,000 h.p.; ultimate capacity 188,000 h.p.

Controlled or Affiliated Companies of Power Corporation
B. C. Power Corporation Limited.
Canada Northern Power Corporation Limited and subsidiaries—
Northern Ontario Power Company Limited
Northern Quebec Power Company Limited
East Kootenay Power Company Limited
Manitoba Power Company Limited
Northern B. C. Power Company
Southern Canada Power Company
Winnipeg Electric Company

POWER CORPORATION OF CANADA LIMITED — a Canadian organization — has specialized in hydro-electric development.

Its activities extend to financing, design, construction, operation and management of public utility companies. Through its combined services, Power Corporation offers the distinct advantages which accrue when details of a project are entrusted to a single, fully-qualified, responsible organization. Power Corporation controls, or is affiliated with, hydro-electric properties in Quebec, Ontario, Manitoba, Alberta and British Columbia, operating 39 hydro-electric and steam plants with an installed capacity of 718,000 h.p., and an ultimate capacity of over 2,000,000 h.p.

Through its Industrial Department, Power Corporation has been successful in locating over 100 major industries in Canada.

Hemmings Falls Power Development, capacity 33,600 h.p. Designed and constructed under supervision of Power Corporation for Southern Canada Power Company.

Quinze Power Development, 60,000 h.p 30,000 h.p. extension designed and constructed by Power Corporation for Northern Quebec Power Company Limited.

Fiscal Agents:
NESBITT, THOMSON & COMPANY LIMITED
355 St. James St. West, MONTREAL
Quebec Ottawa Toronto Hamilton London, Ont.
Winnipeg Saskatoon Calgary Victoria Vancouver

CONSUMERS GAS CO.

Toronto Utility in 1932 Lives Up to Record Which Permitted Dividends to be Paid 84 Years Without Break

Because Consumers Gas Co. of Toronto, found increasing taxes, customs duties and exchange rate on remittances to the United States to be a serious drain on revenue, it earned $2,105,195 in the year ending September 30, 1932, as compared with $2,190,641 in the preceding year. In all controllable spheres the company was able to make economies and its business was well maintained.

Consumers Gas Co. has a record of payments on its common stock for 84 years without a break. The company operates under a self-adjusting provincial franchise based on an agreement made with the city of Toronto. It was provided that price of gas would be regulated to provide the company with sufficient money to pay 10 per cent on the part value of its stock and that surpluses accumulated in special reserves from time to time would be used to cut gas rates to consumers.

Gas Sales High

The company has been able to cut rates frequently by reason of this provision but the taxes and other uncontrollable expenditures of the last two years have cut the special surpluses down to $21,206 at the end of the last year. It is feared that this may necessitate increased rates for gas unless further economies can be made.

The company sold almost as much gas in the year ended September 30, 1932 as at the peak, though the volume of gas for commercial and industrial uses contracted somewhat.

The company has strong reserves, and the deficiency of $120,801 in 1921 has changed to $2,824,007 working capital. Reserves advanced from $3,819,654 to $10,105,741 in the same period. Net tangible assets have come up from $9,819,654 to $23,582,555.

Stock Highly Regarded

The company's ability to extend its business in the worst depression of this century causes it to be regarded favorably in investment circles. The stock constitutes a standard Canadian investment. More than 4,000 people own the $14,055,200 capital stock outstanding.

The only important addition to the manufacturing plant of the company in its last fiscal year was the erection at Station "A" of a complete unit for the manufacture of oil gas having a daily capacity of one and a half million cubic feet. The work was carried out by the company's own workmen.

On September 30 last the company had 172,528 meters installed and had sold $5,798,002 of gas in the year.

Capitalization—	Authorized	Outstanding
Common	$25,000,000	$14,055,200
No par value.		

Dividend Record—
Common—10 per cent per annum, payable quarterly, 1st Jan., April, July and Oct.

Officers and Directors—
Officers—A. W. Austin, pres.; A. Hewitt, vice-pres. and gen. mgr.; E. J. Tucker, asst. gen. mgr. and sec.
Executive Committee—A. W. Austin, A. H. Campbell, Col. J. F. Michie and F. G. Osler.
Directors—A. W. Austin, A. R. Auld, A. H. Campbell, L. Goldman, Col. J. F. Michie, A. Hewitt, F. G. Osler, T. H. Wood, T. Bradshaw, and His Worship the Mayor of Toronto, all of Toronto.

Years End. Sept. 30:	1932	1931	1930
Earnings per Share and Dividend Record:			
Earned	$ 8.25	$ 9.56	$10.49
Paid	10.00	10.00	10.00
Market Record—			
	1932	1931	1930
High	175	187	193
Low	142	163	175

PROGRESS

Consistently Maintained

Comparison for Twelve Months Ending December 31st

1931	1932
Gas Consumers 33,804	Gas Consumers 34,009
Electrical Consumers 18,287	Electrical Consumers 18,477
Gas Consumption 9,138,901 M.C.F.	Gas Consumption 9,989,747 M.C.F.
Electrical Consumption 18,935,519 K.W.H.	Electrical Consumption 20,263,950 K.W.H.

GROSS REVENUE
$4,207,220.37 ↓ $4,499,699.47

Dominion Gas & Electric Company

Subsidiaries
The Canadian Western Natural Gas, Light, Heat & Power Co., Limited
Northwestern Utilities, Limited
Canadian Utilities, Limited
Union Power Company, Limited
Nanaimo Electric Light, Power & Heating Co., Limited
Duncan Utilities, Limited

MEXICO TRAMWAYS

Operating Deficits Continue in 1932 — Government Accounts Unpaid

Mexico Tramways Company, which was first formed in 1906, operates the electric tramway system in Mexico City through its wholly owned subsidiaries, the Mexico Electric Tramways Ltd., and Cia de los Ferrocarriles del Distrito Federal. The company has a controlling interest in the Mexican Light & Power Co., which operates the lighting and power system in Mexico City and the Federal District of Mexico.

The company has the exclusive right until 1982 to operate on the streets of the City of Mexico, and the power to extend lines to the suburban towns of San Angel, Guadalupe, Tacuba, Xochimilco. Monthly reports through 1932 showed that, as measured in pesos, the company had a decrease of nearly 13 per cent in gross earnings, while operating expenses and depreciation increased and the net deficit therefore increased by 191 per cent to $2,361,310 at the end of November. Heavy increases in taxation had been imposed under recent legislation in Mexico, seriously affecting the earnings of the company.

Working Capital Weak

The company has a large working capital deficit, mainly caused by the large total of accrued bond interest.

"In addition to the low activity of business the company suffered in recent years from growing competition by omnibuses and jitneys and the sharp depreciation in the price of silver. It had received the whole of its income from the passenger, freight and funeral services in silver coin.

Because the government, following revolutionary disturbances, took over operation of lines from 1911 to 1919, financial difficulties were encountered. Default occurred on the various series of bonds and a bondholders' committee was formed in London in 1915. A provisional agreement of reorganization was made in 1921, but strikes, rebellions, jitney competition, failure to get damage claims made further arrangements necessary in 1926 and 1927.

Capitalization—	Authorized	Outstanding
Stock	30,000,000	$20,177,000
Par $100.		
Funded Debt—		
5% gen. consol. 1st mtge. bonds, due 1963	20,000,000	10,298,000
6% mtge. bonds, due 1966	15,329,999	7,112,633
5% Mexico Elec. Tram. "A" deb.	1,946,666	1,355,367
5% second charge deb. "B"	2,433,333	*1,562,200

8% Cia. le los Ferrocarriles del Distrito Federal, 2nd mtge. debs., due 1959, outstanding †$2,000,000.
†All owned by the Mexico Electric Tramways.
*All owned by Mexico Tramways Co.

Dividend Record—
None paid since 1913.

Officers and Directors—
Officers—Miller Lash, chm.; G. R. G. Conway, pres. and mgr. dir.; R. C. Brown, vice-pres.; H. M. Hubbard, vice-pres.; W. H. Fraser, gen. mgr.; R. H. Merry, sec.; P. Mendez y Mendez, J. S. Holmested, W. D. Hooper, asst. sec.
Directors — Miller Lash, chm.; R. C. Brown, C. D. Magee, W. Gow, Rt. Hon. Sir T. White, E. R. Wood, Toronto; G. R. G. Conway, Mexico City, Mex.; H. M. Hubbard, R. O. McMurtry, W. D. Dawes, London, Eng.; Vicomte Gaston de Breteuil, Paris, France; Henri Speciael, D. N. Heineman, Brussels, Belgium; Francisco de A. Cambo y Batlle, Barcelona, Spain; Luis Riba, Mexico.
Bondholders' Committee—H. M. Hubbard, chm.; G. C. Cassels, H. F. Chamen, R. Fleming, A. P. Holt, Sir A. Roger, Henri Speciael.

Earnings—
Twelve Mos. Ended December 31:

	1932 Pesos	1931 Pesos	Increase Pesos
Gr. earn.	8,133,880	9,319,790	*1,185,910
Oper. exps. & deprec.	10,718,200	10,149,370	568,830
Net earn.	†2,584,320	†829,580	*1,754,740

†Deficit. *Decrease.

FIRST DIVIDEND PAID ON COMMON BY DUKE-PRICE

Higher Earnings Reported — Working Capital Improved

From Our Own Correspondent

MONTREAL—Increased gross and net earnings, improved working capital position, payment of an initial dividend of $1.30 a share, and income reported in a combination of U. S. and Canadian funds are features of the financial statement of Duke-Price Power Co. for 1932. After all charges and reserve of $100,916 for exchange, net profit was $591,879 (U.S. funds) and was equal to $2.81 a share on the 210,000 shares of no par common stock, dividends of $273,000 were paid in U.S. funds. In 1931 net profit was $573,783 or the equivalent of $2.73 a share.

Gross earnings, combining U.S. and Canadian funds, were $4,305,159 compared with $4,275,283 in the previous year. Expenses were reduced by 5 per cent, other income was marginally higher, and total net income was up $64,000 at $3,751,435. Bond interest, payable in N.Y., was $2,181,152. Provision of reserve for exchange placed net profit in U.S. funds. Surplus was increased by $127,655 realized on retirement of bonds. It is pointed out that the company's share in the net loss of the affiliated company not consolidated was $4,767 in U.S. funds.

Profit and Loss Figures

Following is a comparison of profit and loss for the past two years:

	1932 $	1931 $
Gross earnings	4,305,159	4,275,283
Less: Exp. & taxes	597,273	630,442
Net earnings	3,707,886	3,644,841
Other income	43,550	42,363
Net earnings	3,751,436	3,687,204
Less:		
Bond interest	2,181,152	2,195,820
Other int.	218,082	260,802
Depreciation	659,406	656,798
Reserve for exc.	100,916	......
Net profit	591,880	573,784
Less:		
Dividends	273,000	....
Surplus for year	318,880	573,784
Add prev. surplus	1,944,092	1,370,309
Profit on bonds red.	127,655	....
Balance forward	2,390,627	1,944,092
Working Capital		
Current assets	1,995,443	1,126,717
Current liabs.	687,242	649,436
Net working capital	1,308,201	477,281

Several interesting points are revealed in the balance sheet, which has been drawn up after provision, by reserve for exchange, for conversion of net current assets into United States dollars at par. Cash is up $505,000 at $904,151 and marketable securities are higher by $10,000 at $107,648. An increase is recorded in accounts and notes receivable which total $915,845 compared with $539,667 in 1931. Investment in and advances to affiliated company not consolidated, stands at $997,234, down from $1,265,023. It is noted that the company's share in the deficit at the end of 1932 of the affiliated company not consolidated is $17,490 in U. S. funds.

Liabilities reflect renewal until 1935 of the company's $3,500,000 6 per cent gold notes which fell due April 15, 1932. The reserve for exchange and contingencies makes its first appearance at $100,916 and reserve for income tax and other taxes has been increased by $36,000 to $138,195.

During the year there were redeemed $357,000 of 6 per cent first mortgage bonds leaving $35,095,000 outstanding. A profit of $127,655 was realized on this procedure.

In the Mail

Balanced Budgets

Editor, The Financial Post:

This is the second time that I have had occasion to write to you expressing my appreciation of the sound editorial policy of your paper.

It is strange that the governments of the two North American Countries, the United States of America and the Dominion of Canada are the two at the present time who are doing least to balance their budgets. I cannot see any improvement in this country until our governments, financial, provincial and municipal, decrease expenditures and balance their budgets, and trust that it will not be a crisis in our financial situation which forces them to do so. The only alternative to a crisis is that the pressure of public opinion will change their present attitude.

Your very good paper, during the past two years, has consistently brought the true position of our national finances to the attention of the readers, and I trust that you will see fit to continue to do so. With best wishes for the continued success of your paper.

RANDOLPH BRIDGMAN.
Montreal,

An International Depression

Editor, The Financial Post,

In his book "Profits or Prosperity" Mr. Henry Pratt Fairchild wrote two worth while sentences: "Discover the way to restore purchasing power and you have discovered the remedy for the existing depression. Find out how to maintain purchasing power and you have found out how to prevent depressions in the future." As to the book as a whole may I simply say that it is incomplete as it offers no correction for the international medium of exchange.

In your editorial "Wages and Taxes" Dec. 31, you are, in my opinion, quite right when you say that salaries and wages are an element in the cost of production, but when you say that they are to be determined by the price level I honestly think you are in error. Salaries and wages are the controllable and controlling factor and should consequently determine the internal price level and it is on the basis of that internal price level that all our trade should be conducted.

If Canada would only do that it would be out of this depression exceedingly promptly.

North Bay, Ont.
R. J. DANIAUD.

On the Quill Standard

Editor, The Financial Post,

Twenty-five years ago the writer was engaged on surveys in the Peace River District. Meeting an old Hudson Bay factor, the question was asked as to how they carried on their trade with the Indians in the early days. The factor replied that quills were the medium of exchange. The Indian received so many quills for his furs, and in return he paid in quills for his tobacco and other supplies. The writer asked the factor what he would have done had he run short of quills, and was told that that happened once and caused a long, stubborn argument. A number of Indians came in together with a large pack of furs. The factor saw that he was short of quills, as the Indians would never trade until all had their quills, so he cut the quills in two. At once the Indians insisted on whole quills, trading was at a standstill, and it took a lot of arguing to satisfy the Indians that half a quill would buy as much as a whole quill had formerly bought. At last the factor took one Indian and told him they would trade, and if not satisfied, they would trade back. When the others saw the first Indian getting as much tobacco and other goods for the half-quill as they had got for the whole quill, they all did their trading and went away contented.

What would that factor have done had he been using pieces of gold instead of quills?

Picton, Ont.
L. A. VAN SKIVER

How About "Political Ownership"?

Editor, The Financial Post:

I have just finished reading your editorial of January 14, entitled "Politics in Business." I quite agree with your views, only I take exception to using the term public ownership when you mean Government ownership. The allies of the political grafters are responsible for this misnomer. The term public ownership goes down the taxpayer more easily than Government ownership. The latter term has a distasteful taste to most people, and only the Socialists and Communists advocate Government ownership. The C. P. R. is owned, we will say, by 150,000 people. These people form a large section of the public; I contend the C. P. R. is public ownership. But the C. N. R. is Government ownership. The Montreal Light, Heat & Power is public ownership because the shares are owned by 15,000 or more people who form a large section of the public. The Ontario Hydro is owned by the Government of Ontario. The farms of Ontario are owned by the public, but suppose the Ontario Government should some day take them away from the public who own them as was done in Russia it would no longer be public ownership. It would then be Government ownership of farms.

My reason for drawing your attention to these facts is that the term Government ownership should always be used when you mean Government ownership. Many people are deliberately fooled by the term public ownership. I have heard people say they do not believe in Government ownership but believe in public ownership when the terms were used synonymous by them.

I feel many people would not be converted to Socialism and Communism if the term Government ownership was always used.

A. M. MUIR.
Ottawa

Currency Depreciation

Editor, The Financial Post,

From the road the idea of "linking the dollar with the pound" is a good one, but, when weighed in the balance, it is found wanting.

I propose to outline some of the difficulties. The value of a nation's currency is determined by the ratio of the face value of convertible paper money to gold reserves. The actual cause of the depreciation of both the British pound and the Canadian dollar has been the exportation of gold reserves unaccompanied by corresponding reductions in the paper currency in circulation.

Some people have falsely supposed that our own depreciation is partly due to the abandonment of the gold standard in the Mother Country. The value of the Canadian dollar is determined by our own gold reserves in their relation to our convertible paper and the value of the British pound is reckoned in the same way.

New York does not dictate the market value of our currency. Nor will we ever arrive at the place where London will become such a dictator. Ottawa with her mad expenditures for railways, canals, hotels, terminals, ports and other national projects is the only city that has determined the value of our currency. When she comes to the place where she can balance our budget, strengthen our credit and build up our gold reserves to their proper place our money will come back and not before. To do this she must do something more than issue bonds to pay bonds, deficits and interest.

The proposal to fix a permanent ratio of value between the British pound and our dollar cannot be artificially realized. Legislation cannot do it. Governments cannot by statute fix the value of currency any more than they can fix the value of wheat or wool. To fix a permanent ratio of value we must pool all the gold reserves of both political units.

Let us now see some of the consequences. To unite the currencies on an equal basis, Canada would have to inflate her currency by the issuing of more paper until she had the same ratio as the Mother Country. Our victory bonds as a result would drop in value.

I know that the tie between us and the Mother Country is strong and constant. Yet in the world of business there is little sympathy. We will continue to be loyal. Yet we cannot, we must not surrender our birthright.

J. S. MILLETT.
Chance Harbor, N.B.

EE C.C.W

Electrical Apparatus of Quality

Motors
Generators
Control
Motor-Generator Sets
Frequency Changers
Transformers
Induction Regulators
Switchboards
Oil Circuit Breakers
Disconnects
Accessory Apparatus
Traction Equipment
Steam Turbines
Etc.

English Electric Policy has ensured unhindered research, and development of new designs, through all periods, and guarantees you the finest of machines, the quick supply of renewal parts and prompt and generous service, or advice, whether times be good or bad.

ENGLISH ELECTRIC
COMPANY OF CANADA, LIMITED
AND ITS SUBSIDIARY
THE CANADIAN CROCKER-WHEELER COMPANY, LIMITED
MAIN WORKS AND GENERAL SALES OFFICES:
ST. CATHARINES, ONTARIO; MONTREAL, TORONTO

I. P. OF NFLD. GIVES VIEWS ON WAGE CUT

Vice-president Says Workers Are Better Treated Than in Canada

From Our Own Correspondent

MONTREAL.—Employees of International Power and Paper Co. of Newfoundland, a division of International Paper and Power Co., have objected strenuously to wage reductions. E. A. Charlton, vice-president of the company, thinks that the workers have been well treated and in a cable to the secretary of the Mill Workers Committee at Corner Brook sets forth his views. He says in part:

"Am sorry your committee has seen fit wire as it did. The responsibilities of operating a property as large as Corner Brook during these irregular times is indeed most serious. A perusal of newspapers for last few months will indicate to you that Corner Brook is not only locality suffering from world-wide economic disturbance which is familiarly called depression.

Action is Necessary

"You are familiar with situation in Canada where many mills as large as Corner Brook have absolutely been shut down. Some of the mills have been closed over two years. It is with pride that we look to performance of our company in that it has been able to keep part of our employees at work and any unprejudiced thinking individual will tell you that our performance has been better than that of any of the large companies in the newsprint industry. The decline in volume and in selling price is not one of our choosing. Witness the steel industry operating at less than seventeen per cent of capacity and the same is true for so many industries. Witness the invasion of the Corner Brook markets by European competition, particularly from countries where, because of inflation of currency, people have lost all their savings, and have to start over again at wages unheard of in industry. The life-blood of any industry or any company is its sales, and Corner Brook has to elect to do one of two things, either go out of business entirely or put its shop in order to meet the unfair European competition. Corner Brook has advantages which our foreign competitors do not have, and consequently does not have to make the sacrifice which a foreign competitor would have to make. But we as managers of property are forced to watch the trend of our business, particularly a downward trend and if the Corner Brook community is to continue to exist as a manufacturing community it must apply immediately all measures available so that business will live. Any of you were in our shoes would be forced to adopt the same policies we are adopting.

Old Wages Not Justified

"The history of performance of our Corner Brook mill for the last six months does not show as some would have it that earnings justify maintenance of the old wage schedule. We have not been unmindful of conditions in Corner Brook, and instead of applying at present time the same wage schedule existing in our Canadian mills we have applied a higher wage schedule. During the last two wage reductions we have not touched the lowest paid men and this time after due deliberation we were forced to reduce the lowest paid men in our mill not ten per cent but six point seven per cent. So that on the whole Corner Brook will enjoy better working conditions than are found in our mills in Canada. This wage and salary reduction is not peculiar to low paid man but is applied to everyone in our organization from president down."

Jobless Insurance Out This Session, Says Bennett

No legislation concerning unemployment insurance will be introduced by the government at the present session of Parliament, Prime Minister R. B. Bennett announced in the House of Commons on Feb. 27. The Prime Minister made this unequivocal statement in reply to a question.

At the same time the Liberal platform was outlined to the House and the party definitely went on record as favoring unemployment insurance. Summarized, the statement made by Rt. Hon. Mackenzie King on this subject, is as follows:

"To deal with unemployment through a representative national commission which would co-operate with the provinces and municipalities."

"As a permanent measure the party was pledged to "institute policies which will serve to provide employment by reviving industry and trade and the institution of a national system of unemployment insurance."

Thoroughfares

Thoroughfares lined with shops, mercantile and office buildings have replaced the quiet residential street of an earlier day.

The canyons of a great city with their crowds of people are symbolical of years of progress and growth. As a city overflows, it extends its boundaries and transportation becomes a necessary link to give it cohesion.

Seventy years ago public transportation in Montreal demanded only eight cars and six and a half miles of track, but today the social and business activities of its citizens require 153 busses and more than 1,000 tramway cars operating 90,000 miles daily.

The Montreal Tramways Company, in providing regular free-moving and modern transportation, has kept pace with the growth and development of the municipalities it serves.

MONTREAL TRAMWAYS COMPANY

DOMINION GAS & ELECTRIC

Western Holding Company for Gas Utilities Shows Advancing Revenue But Low Working Capital — Parent Company in Receivership

Dominion Gas and Electric Co., which controls a number of important western Canadian utilities, increased its gross and net operating revenue in 1932 as compared with 1931. Although the working capital position is weak, its large income enabled it to meet interest on $8,000,000 of first lien and collateral 6½ per cent bonds due 1945 and on $3,000,000 6 per cent 5 year gold notes due July 1, 1933.

Dominion Gas is controlled by American Commonwealth Corp., which is now in receivership. International Utilities owns $3,000,000 6 per cent gold notes which come due on July 1 of this year, and under the circumstances there is considerable surmising as to whether or not International Utilities may regain control. International Utilities also owns $3,200,000 of the bonds and is therefore in a predominant position.

The subsidiaries of Dominion Gas and Electric include Canadian Utilities, Canadian Western Natural Gas, Light, Heat and Power, Edmonton Utilities, Gas Production and Transportation, Nanaimo Electric Light, Heat and Power, Northwestern Utilities, Union Power, and Duncan Utilities. These companies were formerly under the control of International Utilities Corp., but change in ownership took place about the middle of 1930.

Properties owned and controlled by Dominion Gas include gas and electric plants, about 900 miles of electric transmission lines and over 880 miles of gas mains. Through its subsidiaries the company serves 123 communities with electricity, gas and water. Producing companies from the Turner Valley field near Calgary have entered into agreement which give Dominion Gas control of 400,000,000 cubic ft. of natural gas daily.

Capitalization—	Authorized	Outstanding
Common	1,000,000 sh.	592,500 sh.
No par value.		
1st preferred ..	100,000 shz	25,000 sh.
No par value.		
2nd preferred .	50,000 sh.	*41,534 sh.
No par value.		

*68 per cent held by American Commonwealth Power Corp.

Funded Debt—
1st lien and coll. bonds, 6¼ per cent, due 1945, outstanding $8,000,000; 6 per cent gold notes, due 1933, outstanding $3,000,000.

Dividend Record—
First preferred—$7 per share per annum, cumulative, payable quarterly, Jan., Apr., July and Oct. 1. Initial payment of $1.75 per share paid on April 1, 1931, and regularly to Oct. 1, 1931; none since.
Second preferred — Entitled to $7 per share per annum, cumulative, payable quarterly. No dividends paid to date.
Common—No dividends paid to date.
Earnings—Statement issued by receivers of parent company.

6 Months Ended	June 30 1932 $	June 30 1931 $
Gross income	1,320,647	1,186,474
Prior chgs. of subs...	295,673	276,612
Depreciation	248,573	240,135
Amortization	1,927	1,662
Min. int. in subs. ...	25,052	19,721
Balance	749,418	648,341
Int. on funded debt.	350,000	350,000
Other interest	3,078	......
Amortization	61,400	59,337
Balance	334,639	239,004
1st pref. div.	......	87,500
Net income	334,639	151,504

NORTHWESTERN UTILITIES

Capitalization—	Authorized	Outstanding
Common	60,000 shs.	60,000 shs.
No par value.		
Pref. cum. 8%‡ ..	$1,500,000	$1,500,000
Prior pref. 6% ..	1,000,000	*956,500
Par $100.		

All of the common is held by Edmonton Utilities, Limited.

*Of this amount $74,000 is unpaid.

‡Over 99 per cent owned by Dominion Gas and Electric Co., and deposited as security for its 6½ per cent first lien and collateral gold bonds.

Funded Debt—

1st mtge. s. f. 7% bonds, due 1938	$4,000,000	$2,602,700

Officers and Directors—
Officers—H. R. Milner, pres. and man. dir.; A. F. Traver, vice-pres.; Julian Garrett, mgr. and sec.-treas.; J. P. Reilly, asst. sec.-treas.; J. T. Robertson, asst. sec.-treas.
Directors—F. W. Seymour, chm. of the board, Battle Creek, Mich.; A. F. Traver, J. P. Reilly, New York City; A. H. Gilmour, Winnipeg, Man.; H. R. Milner, Julian Garrett, Edmonton, Alta.; H. S. Watts, E. W. Bowness, P. D. Mellon, H. S. Tims, Calgary, Alta.

Years End. Dec. 31:	1931	1930	1929
Times All Interest* Earned:			
Before amort. & depl.	2.28	3.98	2.92
After amort. & depl.	1.70	2.91	2.42
Earnings per Share and Dividend Record:			
Prior preference:			
Earned	$20.48	$36.25	$42.04
Paid	6.00	6.00	6.00

*Based on the net revenue from the gas department less the cost of production, etc.

CAN. WESTERN GAS

Sales Reach Peak in 1932—Will Retire Debentures in June

Canadian Western Natural Gas, Light, Heat & Power Co. had peak sales and earnings in 1932 although higher taxes kept net profit at the 1931 level. Operating chiefly in Alberta, the company produces and distributes natural gas for lighting, heating and power. Sales of gas amounted to $2,151,041, largest in the company's history although industrial demand was sharply curtailed. Domestic demand was reported as practically normal and the company was helped by cooler weather than prevailed in 1931.

Control of the company is held by Dominion Gas & Electric Co. which purchased the majority of the common stock from International Utilities Corp. in July, 1930. Chief public interest in the company is in the preferred stock. Sterling debentures stock now outstanding is to be retired in June.

Capitalization—	Authorized	Outstanding
Common	*$8,000,000	$8,000,000
Preferred	4,000,000	4,000,000
Par $100.		

*Over 94 per cent owned by Dominion Gas & Electric Co.

Funded Debt—Entire outstanding 5 per cent first mortgage debentures, totalling £140,501 ($682,837), have been called for redemption June 15, 1933, at the rate of £105 for each £100 of debentures. No transfer will be registered after May 15, 1933.

Dividend Record—
Preferred—6 per cent per annum cumulative participating, payable, Mar., June, Sept. and Dec. 1; paid regularly.
Common—Present rate $4 per share per annum payable quarterly, Jan., April, July and Oct. 15. Reduced from $6 to $4 July 15, 1932.

Officers and Directors—
Officers—H. R. Milner, pres. and man. dir.; F. W. Seymour, vice-pres.; H. S. Tims, compt.; P. D. Mellon, sup. and chief engineer; H. S. Watts, sec.-treas., Calgary, Alta.; A. Vermeer, asst.-sec.
Directors—P. D. Mellon, H. S. Tims, H. S. Watts, Calgary, Alta.; A. F. Traver, F. W. Seymour, New York; P. R. Johnson, Independence, Kan.; H. R. Milner, Julian Garrett, A. G. Baalim, Edmonton, Alta.

Years End. Dec. 31:	1932	1931	1930
Times All Interest Earned:			
Before deprec., bad debts & amort...	20.04	19.06	17.61
After deprec., bad debts & amort...	15.22	14.05	12.68
Earnings Per Share and Dividend Record:			
Pref.: Earned ...	$13.20	$15.18	$17.13
Paid	$6.00	$6+50c	$6+50c
Com.: Earned	$4.08	$4.04	$4.56
Paid* ..	$4.50+$1	$4.50+$1.50	$4+$2

*In addition to regular dividends a special amount was set aside in 1928 for payment of extra dividends to end of 1931.

INTER. UTILITIES

Has Wide Investments in Public Utility and Other Fields

International Utilities Corp., which formerly controlled a widely diversified group of public utilities companies is now largely an investment company, with substantial holdings of securities of public utilities companies. Canadian subsidiaries were sold to American Commonwealth Power Corp. and are now operated by Dominion Gas & Electric Co. of which International Utilities Corporation holds a substantial amount of securities, taken in part payment.

Subsidiaries of International Utilities Corp. include: International Public Utilities Corp., which holds securities of public utility companies; International Shareholdings Corp., which holds investment trust securities; International Stores Securities Corp., which holds chain store securities; and other holding companies.

Capitalization—	Outstanding
Prior pref. 7%, n.p.v.	31,473 shs.
Prior pref. $3.50 ser. 1931	80,745.19 shs.
Pf., $1.75 ser., 1931 n.p.v.	92,012.68 shs.
Class "A" n.p.v.	130,262 shs.
Class "B," par $1	*1,199,080.5 shs.

*643,104 shares of class "B" are reserved against warrants and options.

Dividend Record—
Prior preferred, 7%—Payable quarterly, Feb., May, Aug. and Nov. 1.
Prior preferred, $3.50—1931 series, payable quarterly, Feb., May, Aug. and Nov. 1.
Preferred, $1.75—1931 series, payable quarterly, Jan., Apr., July and Oct. 15.
Class "A" Common — None at present. Last paid 87½c Oct. 15, 1931.

Officers and Directors—
Officers—P. M. Chandler, pres. and chm. of the board; F. W. Bacon, W. F. Corl, J. R. Dunlap, Jr., H. C. Phelan, vice-pres.'s; T. L. Russell, sec.; H. Williams, Jr., treas.; H. D. Brown, Jr., E. M. Butler, E. J. Hall, asst. sec. and asst. treas.
Directors—F. W. Bacon, E. Uehlinger, P. M. Chandler, E. W. McMahon, H. C. Phelan, New York; R. M. Boyd, Jr., Montclair, N.J.; W. H. Despard, Toronto; A. S. Kimberley, New Haven, Conn.; R. E. Wilsey, Chicago, Ill.; E. B. Robinette, Philadelphia.
Executive Committee—P. M. Chandler, F. W. Bacon, New York; R. E. Wilsey, Chicago.

Earnings per Share and Div. Record:	1931	1930
$7 prior pref.: Earned ...	...	$166.08
Paid	$7.00	7.00
$3.50 p. pref.: Earned.....	...	...
Paid	0.87½	...
$1.75 pref.: Earned	...	...
Paid	0.43¾	...
Class "A": Earned	...	37.44
Earned*	...	5.00
Paid	3.50	3.50
Class "B": Earned	...	7.89
Earned*	...	7.54
None paid.		

*Under participating provisions.

Market Record—	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Class "A"	11	2	45	5	51	30
Class "B"	4	½	11	1¼	19½	4½

Public Utility Earnings

Mexico Tramways, Light & Power Group
Mexico Tramways & Subsidiaries

December	1932 Pesos	1931 Pesos	Increase Pesos
Gross Earn.	710,190	819,560	†109,370
Oper. and deprec. exp.	933,200	837,350	95,850
Net earns.	*223,010	*17,790	†205,220
Aggre. gross fr. Jan. 1	8,133,880	9,319,790	†1,185,910
Aggre. net fr. Jan. 1	*2,584,320	*829,580	†1,754,740

Mexico Light & Power & Subsidiaries

Gross earn.	2,330,850	2,064,660	266,190
Oper. and deprec. exp.	1,592,260	1,120,650	471,610
Net earn.	738,590	944,010	†205,420
Aggre. gross fr. Jan. 1	26,166,060	23,906,136	2,259,925
Aggre. net fr. Jan. 1	9,471,230	10,467,620	†996,390

*Deficit. †Decrease.

UNION GAS CO. OF CANADA

Corporation Reports Improvement in Demand for Natural and Artificial Gas Supplied to Territory Occupied by 500,000 People

Union Gas Co. of Canada in its fiscal year ended March 31, 1932, has net earnings of $1,639,664 as compared with $2,506,671 in the preceding 15 months. Its net profit was $258,721 as compared with $1,327,069 in the preceding period. After preferred dividends on Union Gas it had a loss on both years, and it was reported on March 6, 1933, that for the first ten months of the company's current fiscal year, the net profit, after interest and all other charges, but before income tax, was approximately $275,000.

Sales Gain

Gross domestic sales gained somewhat, and although the average price was lower, the revenue was within one-quarter of one per cent of that of the previous year. Revenue from industrial sales was up, but the improvement in net is due largely to reduced operating expenses, even though taxes and provision for bad debts had to be higher.

The working capital position of the company is reported to be $241,000 stronger.

Lower coke and tar revenues have affected slightly the net returns of City Gas Co., London, although there was an increase in gas revenues in the district served.

United Fuel Investments Ltd., of Hamilton, which also is controlled by the Union Company, report lower earnings so far for the year. Coke sales were better in December and January but not sufficiently so to overtake declines in October and November. Gas revenues were somewhat better in January than in the earlier months of the winter. Working capital position has materially improved and natural gas sales in the Hamilton area have grown substantially.

Owns Large Plants

The gas markets of Union Gas Co. of Canada, which was incorporated under Ontario laws in 1911, include Hamilton and vicinity, Oakville, Burlington Beach, Bronte, London, Windsor, East Windsor, Walkerville, Sandwich, Riverside, Chatham, Sarnia, Petrolia, Wallaceburg, Dresden, Ridgetown, Blenheim, Tilbury, Essex, Wyoming, Alvinston, Thamesville, Bothwell, and numerous other municipalities. Through more than 2,000 miles of gas mains the system serves more than 70,000 gas consumers.

The company and subsidiaries own gas leaseholds on more than 400,000 acres in the Tilbury, Dover, Dawn and Haldimand gas fields, on which are more than 400 producing wells. The natural gas reserves are estimated to be in excess of one hundred billion cubic feet.

The system has gas manufacturing plants in Hamilton, London and Windsor. At Hamilton there is a by-product coke oven plant of 60 ovens which produces coke, motor benzol, ammonium sulphate, tar, and furnishes gas for distribution in Hamilton and vicinity. The manufacturing plants at London consist of a coal gas plant and an auxiliary water set. At Windsor, the company has an oil gas plant of 6,000,000 cubic foot daily capacity to supplement the natural gas supply from the Tilbury field.

Gas in Billions

Gas storage facilities aggregate 8,600,000 cubic feet, consisting of a 6,000,000 cubic foot gas holder at Hamilton, four high pressure Hortonspheres and a gas holder providing storage capacity of 2,000,000 cubic feet at Windsor and gas holder capacity of 600,000 cubic feet at London.

The company and subsidiaries produce annually about six billion cubic feet of natural and artificial gas, 300,000 tons of coke, 2,500,000 gallons of tar, 600,000 gallons of motor benzol and 4,000 tons of ammonium sulphate.

The company's subsidiaries are Windsor Gas Co. Ltd., supplying natural and artificial gas to Windsor and the vicinity; City Gas Co. of London, Ont., supplying gas to London and environs, having about 14,000 consumers and a perpetual franchise to a population of over 75,000; the Empire Land Co., holding lands for the company in Kent county; United Fuel Investments, United Gas and Fuel which do the company's Hamilton business along with Hamilton By-Product Coke Ovens Ltd., United Gas and Fuel Co. and the United Suburban Gas Co., all of Hamilton, these being wholly owned by United Fuel Investments.

Capitalization—	Authorized	Outstanding
Common	1,000,000 sh.	706,119 sh.
No par value.		

Funded Debt—
1st Mtge. coll. trust S. F. bonds, 5½%, due 1956, authorized $10,000,000; $7,928,000 issued and pledged as collateral to bank loan.

Funded Debt of Subsidiaries—
Windsor Gas Co., 5% 1st and refund. mtge., due 1966; outstanding $1,184,000. City Gas Co., London, 6% 1st mtge., due 1947; outstanding $231,000.

Dividend Record—
Common—None at present. Last paid 25 cents Dec. 10, 1931.

Officers and Directors—
Officers—S. A. Morse, pres., gen. mgr. and treas.; D. A. Coste, 1st vice-pres.; R. L. O'Brian, vice-pres.; W. J. K. Vanston, vice-pres.; R. L. Bevan, asst. gen. mgr.; Joseph McKee, sec.; A. R. MacKenzie, compt.; Pearl Wilson, asst. sec.
Directors—G. R. Cottrelle, Toronto, chm. of board; S. A. Morse, D. A. Coste, Chatham, Ont.; C. E. Calvert, Eugene Coste, A. F. White, D. P. Rogers, Toronto, Ont.; Henry W. Cohu, W. J. K. Vanston, New York, N.Y.; R. L. O'Brian, F. E. Ogden, Buffalo, N.Y.

Year End. Mar. 31:	1932	1931
Times All Interest Earned:		
Before depreciation	2.25	5.43
After depreciation	1.57	4.17
Earnings per Share and Dividend Record:		
Common: Earned	$0.11	$1.43
Paid	0.78	2.00

Market Record—	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Common ..	7	1¾	16	4⅝	32½	14

UNITED FUEL INVESTMENTS

(Controlled by Union Gas Co. of Canada)

Capitalization—	Authorized	Outstanding
Preferred	$25,000,000	$9,000,000
Par $100.		
Common*	250,000 sh.	100,000 sh.
No par value.		

* Over 99 per cent held by Union Gas Co.

Funded Debt—
Gen. mtge. 6½% bonds due 1956, outstanding $775,000. Issued bonds all held by Union Gas Co.

Dividend Record—
Preferred—6 per cent per annum. None paid since Oct. 1, 1931.
Common—None paid.

Officers and Directors—
Officers—S. A. Morse, pres.; A. T. Leavitt, vice-pres.; J. McKee, sec.; A. R. MacKenzie, treas.; H. G. Henry, asst. sec. & asst. treas.
Directors—S. A. Morse, R. L. Bevan, Chatham, Ont.; A. T. Leavitt, Hamilton, Ont.; A. F. White, G. H. Cassels, K.C., G. R. Cottrelle, J. A. Fraser, Toronto, Ont.

Years End. Mar 31:	1932	1931	1930
Times All Bond Interest Earned:			
Before deprec	1.53	2.22	3.28
After deprec.	1.08	1.71	2.92
Earnings per Share and Dividend Record:			
Pref.: Earned ...	*nil	$3.07	$7.66
Paid	$2.00	5.50	6.00
Common: Earned	*nil	nil	1.50
None paid.			

* Before addition of payment received from Union Gas Co. under contract.

Market Record—	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Common ..	—	—	8	3	20	7
Preferred .	15	3	65	10	80½	65

UNITED GAS & FUEL

(Controlled by United Fuel Investments)

Capitalization—	Authorized	Issued
Common	$2,000,000	$2,000,000
Par $100.		

All owned by United Fuel Investments.

Funded Debt—
1st mtge. 5½ per cent bonds, due 1948, outstanding $1,787,500.

Dividend Record—
None paid since 1927.

Officers and Directors—
Officers—S. A. Morse, pres.; Judge J. G. Gauld, 1st vice-pres. & adv. counsel; R. L. Bevan, vice-pres.; A. T. Leavitt, vice-pres. & gen. mgr.; J. McKee, sec.; A. R. MacKenzie, treas.; H. G. Henry, asst. sec. and asst. treas.
Directors—Judge J. G. Gauld, W. I. S. Hendrie, A. L. Page, F. F. Treleaven, A. T. Leavitt, Hamilton, Ont.; S. A. Morse, R. L. Bevan, Chatham, Ont.

UNITED SUBURBAN GAS

(Controlled by United Fuel Investments)

Capitalization—	Authorized	Issued
Common	$500,000	$297,200
Par $100.		

All owned by parent company.

Officers and Directors—
Officers—S. A. Morse, pres.; R. L. Bevan, vice-pres.; A. T. Leavitt, vice-pres. & gen. mgr.; J. McKee, sec.; A. R. MacKenzie, treas.; H. G. Henry, asst. sec. and asst. treas.
Directors—S. A. Morse, R. L. Bevan, Chatham, Ont.; A. T. Leavitt, Hamilton, Ont.

Asbestos Shipments Increase in December

From Our Own Correspondent

MONTREAL.—Shipments of asbestos by Canadian producers showed a sharp increase in December, 1932, amounting to 14,378 tons compared with 11,616 tons in the previous month and 10,637 tons in December, 1931. During the twelve months' period total Canadian asbestos production was 122,866 tons compared with 164,296 tons in the previous year.

Exports in December, of which the United States purchased 68 per cent, were valued at $346,278.

"Politically Impossible!"

Editor, The Financial Post,

One of our public men thinks that it is not politically possible to amalgamate the Canadian railroads; if inaction on a vital subject is any indication, there are probably a lot more public men thinking the same thing.

Two years ago the Labor government in England thought some things politically impossible; the passage of three months and the May report indicated that their attitude meant national suicide, and out of the ruck emerged Ramsay Macdonald as a statesman graduated from a politician.

Several years ago Italy was in a mess. Did Mussolini pause to consider if necessary and advisable things were politically possible? Rather he considered the future credit, integrity and prosperity of his people, avoided the artificial, seized the real and re-established a nation.

Costs Us $300 a Minute

It is stated on good authority that the Canadian National Railway is sinking the Dominion into the mire at the rate of $162 a minute and that the over-expenditure of government adds another $140 a minute, making a total of $300 a minute of cost over income; and yet it is politically impossible to correct this great evil.

A man is stricken with a severe toothache, but the dentist tells him it is politically impossible to extract the tooth or even to treat it; he will have to bear the agony till the blamed thing ulcerates, till the poison permeates his system and all his joints are swollen with rheumatism, and then of course we shall have to do something.

Long on politicians, and short—lamentably short, on statesmen, the taxpayer with another grunt tightens his financial belt, denies himself something more that things politically impossible of remedy may not be disturbed, that those whose snouts are dipped deep in the political trough may be permitted to gorge themselves yet more, that further deficits may be piled up to still further stifle business and add yet again to the public burden of this generation and those yet unborn.

The Western provinces have borrowed from the Dominion—fortunately the Eastern provinces are still financing themselves—and this is an added load not included in the $300 a minute referred to above. Presumably the chartered banks are unwilling to consider further advances to these provinces. Business judgment does not justify the credit, so the paternal government acts as banker and the credit of a nation is temporarily saved. Evidently it is politically possible to use the public credit (to say public purse would imply the existence of a purse) to endorse a province, but not possible politically to do something equally constructive to ease the public burden and improve the national credit.

Man is governed by immutable social laws some of which he understands but ignores—the saving grace is that there is a degree of elasticity to these laws—and one of the more important is the law of balance; applied to finance this law demands that income and outgo correspond; to violate that law brings punishment, continue the violation and disaster is the unavoidable result.

For some years the Dominion government and the provinces too have been courting the disaster that defying the law of balance will surely bring, and largely because it has so often been considered politically impossible to correct the wrong that implies a mistake in our political structure, the first move in which was made at Runnymede—and the natural question is why?

No doubt those in power enjoy the power and hesitate to do anything which may annoy the voting public, having in mind the next election; yet did they but realize it, their failure to deal with cankerous conditions in the obvious way, and there are only two ways, one right, the other wrong, not only has the effect of annoying the voter who counts, which will probably defeat them at the next election, but will send their names down into history as men who grasped at the shadow rather than the reality.

While you have been reading this another $3,000 has been added to loss.

J. M. ROBINSON.

Saint John, N.B.

CANADIAN WESTINGHOUSE

MODERN ELECTRICAL EQUIPMENT

. . . a key to lower operating costs

IT MATTERS not what the industry is, what the Public Utility is, this one fact is recognized by all — **maintenance and power losses of old and obsolete equipment are large factors in present operating costs.**

Rehabilitation is the answer to this. Now is the time to modernize electrically. Westinghouse engineers will outline a programme of cost reduction to increase profits.

Let Westinghouse electrical equipment show real economies for you.

Metal Clad Switchgear — Motors and Control — Lighting Equipment
Substations — Transformers — Generating Equipment

CANADIAN WESTINGHOUSE COMPANY LIMITED
Hamilton - Ontario

District Offices — Vancouver, Calgary, Edmonton, Regina, Winnipeg, Fort William, Toronto, Montreal, Halifax.

Westinghouse *Electric*

Other People's Views

Building a Reputation

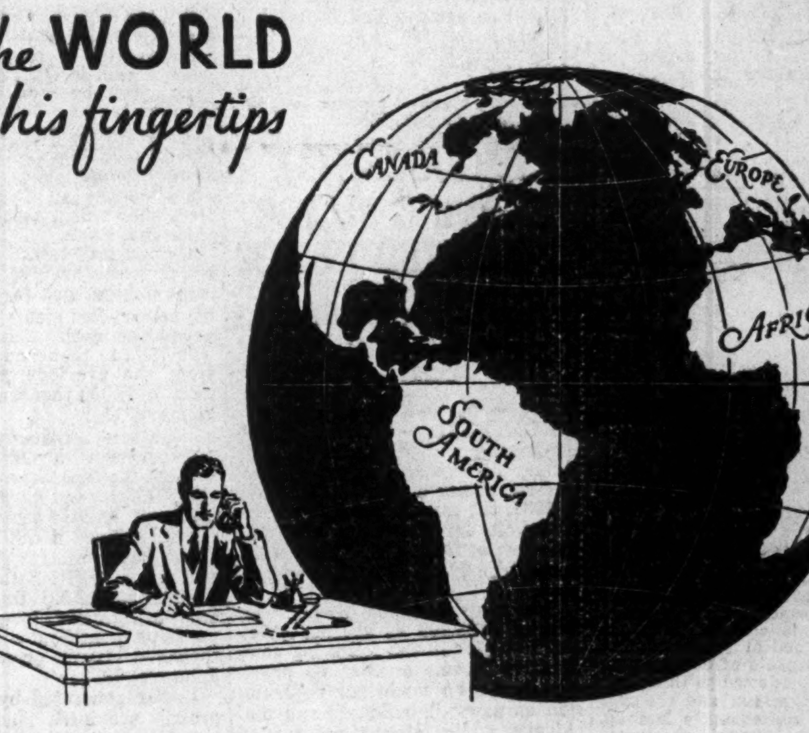
Fergus News-Record.—Miss Agnes Macphail recently held a political meeting in Mount Forest. A complete account of it appeared in the Confederate, with this note at the end:

"Our reporter persists in the idea that Miss Macphail is a hard worker and has reached her present eminence by very hard work as well as native ability; also that she is a thrifty and astute economist, for, in spite of her four thousand a year, she had a hat held at the door to help meet the expenses of the meeting—an excellent idea."

Possibly Miss Macphail finds is well worth while to build up a reputation for thrift, just as Harry Lauder does, and as the people of Aberdeen and Fairgus do. At any rate, she helps it along by contributing another story of her own.

In her latest letter, she describes a trip to Texas on a lecture tour. There was one incident which marred the journey. At Dallas, a pick-pocket robbed her of fifty dollars. She decided to make up part of it on the trip home by pretending she had no money except the bit of change she had left, though, as she says, she had "two cheques of considerable size drawn on a Texas bank in my pocketbook," for, it seems, these lecture tours are not just made for pleasure. Anyway, Miss Macphail managed to squeeze through to Windsor with what cash she had left, by sleeping in an upper berth, carrying her luggage, eating a late breakfast and getting other meals as the guests of persons whom she met. In that way, she still had fifty-four cents left when she crossed the Canadian border. How much of the lost fifty dollars she had made up, she does not say, but she adds: "But that was all just playing. What must it be for those who grimly face want and hopelessness day after day."

The **WORLD**
at his fingertips



Simple, Inexpensive, Speedy

In Ontario and Quebec 53,200 long distance telephone messages originate in the average day — outgoing calls!

And then there is the great daily volume of incoming messages from other provinces, the United States and across the sea.

It is the work of the Bell Telephone Company of Canada to enable friends, families and business associates to speak clearly and immediately with one another, wherever they may be.

Mechanical improvements have followed each other in rapid succession. The quality of transmission ensures perfect reproduction of the spoken word over almost any distance.

Operating methods have kept pace with mechanical progress. Ninety per cent of long distance calls are now handled while you remain at the telephone.

Business men are using long distance more and more — to buy, to sell and to keep up contacts. "Key Town Selling" by telephone saves time for both parties, covers territories more frequently, builds good-will and carries on the business of the country at lower expense.

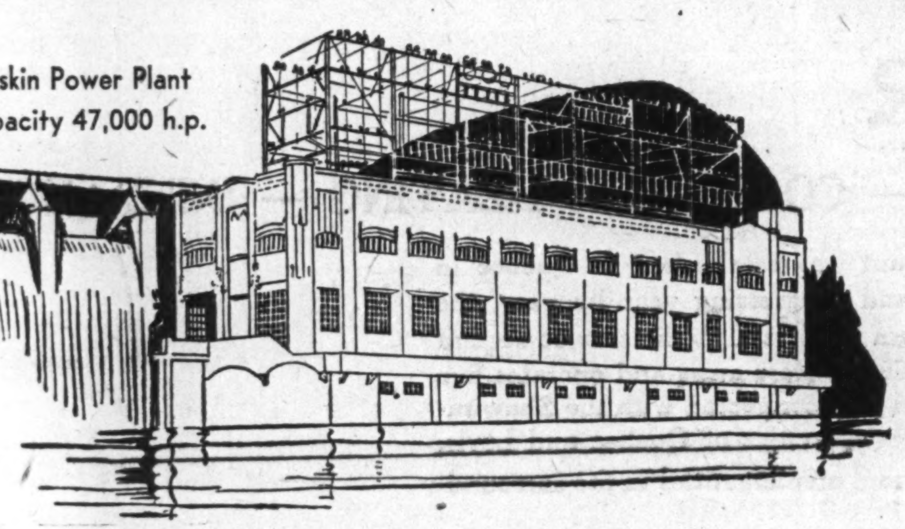
Every Bell Telephone is a Long Distance Station

BELL TELEPHONE COMPANY OF CANADA

113

BRITISH COLUMBIA POWER CORPORATION LIMITED

Ruskin Power Plant
Capacity 47,000 h.p.



The Company serves the lower mainland of B.C. and Vancouver Island
Present capacity of all power plants is 279,190 horsepower
There are now 120,477 light and power customers served
Daily capacity of gas plants is 12,000,000 cubic feet
51,245 gas customers are now receiving service
The company operates 351 miles of tracks
It carried 66,392,459 passengers in 1932. There are 421 passenger cars in service.
The company employs 3,500 people

B. C. Electric Railway Company Limited
British Columbia Power Corporation Limited
W. G. Murrin, President

COURT DECLARES ASSOCIATED TEL. IS NOT INSOLVENT

Involuntary Bankruptcy Proceedings Are Dismissed

From Our Own Correspondent

MONTREAL.—Involuntary bankruptcy action instituted against Associated Telephone and Telegraph Co. has been dismissed by the Chicago courts. The company upon submitting evidence as to its assets and liabilities, was found to be solvent.

Associated Telephone is one of the larger American holding companies, primarily interested in telephone properties. It is of interest to Canadians not only because of direct investment in its securities, but also because the company has a large stake in the Canadian telephone industry, particularly in British Columbia Telephone Co., in which it holds control.

Starts In Vancouver

Bankruptcy proceedings were instituted earlier in the year by three Vancouver companies — Stevens, Baker Co., Pender Loan and Investment Co., and the Anglo-Canadian Investment Co. The petitioners hold a small amount of Associated Telephone's debentures, while their combined total paid-up capital is said to amount to only a few hundred dollars.

At the time of the petition E. C. Blomeyer, president of Associated Telephone, claimed the company was solvent. He also stated that the company had been previously advised of the action on the ground that certain Vancouver shareholders objected to a sale of property by the parent company to one of its own subsidiary companies.

ANGLO-N'WEGIAN WHALERS LAID UP IN PAST SEASON

Income Drops Sharply — Operations Resumed This Year

From Our Own Correspondent

MONTREAL.—Income of Anglo-Norwegian Holdings Ltd. during 1932 reflects the unsatisfactory situation which prevailed in the whaling industry in the last season. The whaling fleets in which the company is interested were laid up and only one paid a dividend. As a result the holding company's total income amounted to $29,772 compared with $313,179, in 1931.

Net income after expenses was $15,564 and after cost of preferred stock redemption and preferred dividends there was a deficit of $93,809 compared with a surplus for 1931 of $68,717. No common dividends were paid last year; in 1931 a distribution of 25 cents a share was made from previous year's surplus.

Following is a comparison of profit and loss for the past two years:

	1932 $	1931 $
Income:		
Interest	3,558	3,125
Dividends	26,214	310,054
Total income	29,772	313,179
Less: gen. exp.	6,468	10,723
Directors' fees	7,500	7,500
Inc. tax	240	240
Net income	15,564	294,716
Less:		
Cost pfd. red.	5,773	117,499
Preferred dvds.	103,600	108,500
Surplus for year	*93,809	68,717
Add prev. surplus	361,101	397,384
Less: Com. dvds.	......	105,000
Bal. forward	267,292	361,101

* Deficit.

Working Capital

	1932 $	1931 $
Curr. assets	63,078	260,720
Curr. liabilities	27,246	7,726
Working cap.	35,832	252,994

The sharp decline in working capital which is reckoned in current rates of exchange is due to a drop in cash which totals $35,306 against $260,411 at the end of 1931. The decrease may be attributed to acquisition of a new whaler, which is claimed to be an extremely economical producer. The new vessel is capable of dealing with the whole quota allotted to the group for the current season and the rest of the fleet is consequently laid up. Reflecting this addition investments in subsidiaries is up $116,000 at $3,216,274.

Redeem Some Preferred

Liabilities show that during last year $20,000 of preferred stock was redeemed leaving $1,480,000 outstanding. Reserves have been increased by $20,000 making a total of $479,814. Auditors point out that one of the subsidiaries incurred a loss last year not covered by its accounts but that the parent company's reserve is more than sufficient to cover this loss.

Pressed Metals Business Better

Increasing sales for its "U" shackle now used on 15 motor car models was the chief development with Pressed Metals Co. in 1932. The company ended the year with a net operating income of $476 which compares with an operating loss of $1,489 in 1931. After provision for taxes, depreciation and common dividend the company carried forward a deficit of $20,511 into the current year although a profit of $1,461 was made on Detroit land contracts. Working capital was reduced by $81,443 chiefly due to capital expenditures.

The income and surplus account is as follows:

Income and Surplus Account
Years Ended Dec. 31

	1932 $	1931 $
Net operating income	476	*1,489
Less: Depreciation	22,732	25,224
Taxes paid	1,069	......
Net oper. deficit	23,325	26,713
Add: Prof. on sale of secs.	......	595
Less: Loss on secs.	535	......
Metal invent. write down	......	19,685
Net loss	23,860	45,803
Less appropriations:		
Common dividends	6,924	55,387
Deficit for year	30,784	101,190
Add: Previous surplus	8,812	108,600
Profit (Detroit land cont's)	1,461	1,402
Balance carried forward	†20,511	8,812

*Loss. †Deficit.

Working capital is shown at $260,450 as compared with $341,893 in 1931. Current assets are down to $298,834 from $345,904 and current liabilities are up to $38,384 from $4,011. New business developed during the year required additional plant installations which account for reduction in working capital.

The shackle which the company has developed is now used by General Motors, Chrysler, Nash, Reo, Hudson, Hupmobile and other manufacturers. Profit from this source only developed late in 1932 as 1933 models went into production. Patents have been secured on other simplified parts for motor cars.

HAYES WHEELS WRITES DOWN FIXED ASSETS

Loss of $182,675 is Shown For 1932 Before Providing Depreciation

Operating loss of $182,675 is reported for Hayes Wheels & Forgings Ltd. while earned surplus is reduced to $47,976 from $581,372 after provision for depreciation and writing down the book values of investments in associated companies which include Canadian General Rubber Co. and Hayes Products Ltd. Reduction in book value of equipment to a basis of present value resulted in lowering capital surplus to $137,061 from $756,243.

The company has been affected by adverse conditions in not only the automobile industry but in the radio and electrical refrigeration industries. As a result radio and electrical refrigeration lines have been discontinued and business in automobile wheels has been transferred to Kelsey Wheel Co. in return for a 20 per cent stock interest in that company. Cost of operating has been largely reduced and equipment and investments have been written down to current values.

The income and surplus account of the company for the past two years is as follows:

CONSOLIDATED INCOME AND SURPLUS ACCOUNT, YEARS ENDED DEC. 31

	1932 $	1931 $
Net loss*	182,674	153,364
Less: Depreciation	188,222	......
Income tax	......	3,071
Inventories written off	......	51,174
Net profit	†370,896	†207,609
Less appropriations:		
Add: previous surplus	581,372	807,198
Less:		
Approp. against investments	162,500	10,000
Loss on sale of plant and equip.	......	8,217
Bal. carried forward	47,976	581,372

† Deficit or loss.

* Loss after deductions of bond interest.

While working capital is substantially reduced the company is still free from bank loans. Cash is down to $39,928 from $226,489 while inventories are down to $164,484 from $265,341. Accounts receivable are up to $77,345, after reserve of $18,909, as compared with $68,256 shown for 1931. Current liabilities consist only of accounts payable amounting to $77,533, slightly higher than in 1931. Working capital position is as follows:

Working Capital

	1932 $	1931 $
Current assets	283,235	572,836
Current liabilities	77,533	74,742
Working capital	205,702	498,094
Ratio	3.65—1	7.66—1

Fixed assets have been reduced to $936,632 from $1,785,274 chiefly through reduction of $619,182 in book value of equipment to bring this item in line with present values. Another $55,000 of equipment was sold to Kelsey Wheel Co. and depreciation accounts for the remaining difference. Investments in and advances to associated companies have been written down by $162,500 and are shown at $125,840 as against $127,683 in 1931.

There is $437,500 of first mortgage bonds outstanding, a reduction of $16,500 in 1932. Preferred stock remains at $581,000 and common stock at $68,000. Capital surplus is down to $137,061 from $756,243.

RESTIGOUCHE CO. EARNING POWER LIMITED IN 1932

Fraser Subsidiary Records Deficit After All Charges

From Our Own Correspondent

MONTREAL. — Though operating income of Restigouche Co., subsidiary of Fraser Companies Ltd., was somewhat higher in 1932 than in 1931, the income account reveals a deficit for the year after all charges of $609,478. This compares with $669,805 in the previous year.

Operating revenues for the year totalled $138,269 as against $104,482 in 1931. In the following comparative income account no provision has been made for depreciation on sawmill buildings and machinery, while interest accrued on $4,415,589 of notes payable to Fraser Cos. has not been taken into consideration for the last nine months of the year:

	1932 $	1931 $
*Earnings	138,269	104,482
Less:		
Invent. decline	93,193	28,000
Bank interest	58,951	82,020
Bond interest	300,239	303,010
†Other	3,634	......
‡Interest	64,638	217,963
Loss	382,387	526,511
Deprec.	141,205	141,107
Depletion	85,885	2,187
Year's deficit	609,478	669,805

*—After operating expenses, taxes, etc., and provision for bad and doubtful debts.
†—Interest on accrued interest deferred.
‡—On advance from Fraser Companies.

Working Capital

	1932 $	1931 $
Curr. assets	1,082,878	1,220,966
Curr. liabs.	1,015,880	1,185,742
Working cap.	66,998	35,224

Cut Bank Loans

The balance sheet at December 31 last gives effect to the reorganization of the company. It does not reveal any material improvement in the company's position, working capital being limited and the deficit account being over $900,000 higher. Bank loans, on the other hand, have been reduced $255,000 to $703,000.

Fraser Loans Higher

Current liabilities aggregate $1,015,880, or about $170,000 lower than at the end of 1931. Notes payable to Fraser Cos. have increased from $4,271,189 to $4,415,589 with no consideration being given to accrued interest since March 31, 1932.

Before the reorganization the company had a funded debt of $4,887,500. The current report shows a funded debt of $5,116,164, which figure includes deferred and accrued interest from February, 1932.

The principal change among assets is the cutting down of fixed assets from $11,803,366 to $7,655,500.

Pointe-Claire Turns Down Montreal Power's Proposal

From Our Own Correspondent

MONTREAL.—Montreal Light, Heat and Power Consold.'s offer of $100,000 for the purchase of the electric system of the Town of Pointe Claire, P.Q., does not meet with the approval of the town council, who have instructed the secretary-treasurer to write to the company saying that they would not consider any offer less than $110,000 with the same conditions offered in the first instance. These conditions provided for the leaving of $17,000 worth of equipment to the town.

SAGUENAY ELEC. HAS SMALL LOSS ON 1932 RETURNS

Duke-Price Subsidiary Records Deficit of $17,380

From Our Own Correspondent

MONTREAL.—Saguenay Electric Co., subsidiary of Duke-Price Power Co., reports earnings for 1932 on much the same basis as in 1931 but higher fixed charges increased the operating deficit. The balance sheet showed a slight improvement, especially in respect to advances owing to the parent company.

Income from all sources last year, after providing for operating expenses and taxes, amounted to $118,160. This compares with $126,719 for the previous year. Other interest charges and premium on American funds made greater inroads on earnings last year than was the case in 1931, resulting in a deficit of $17,380. Particulars of the income account follow:

	1931 $	1932 $
Gross Revenue	257,702	247,523
Oper. Expenses	135,206	129,763
Net Income	122,496	117,760
Other Income	4,223	400
Total Income	126,719	118,160
Less:		
Depreciation	31,404	31,404
Bond Interest	74,800	74,800
Exch. Prem.	......	10,467
Other Interest	16,005	18,869
Deficit	4,510	17,380
Deficit Brt. Forward	*6,551	17,734
Gain on Bonds Red.	......	20,000
Less Adjust.	15,695	......
Deficit Forward	17,734	15,114

* Surplus.

A writing down of fixed assets features the balance sheet of Saguenay Electric which at the end of 1932 showed total assets of $3,612,676 as against $3,897,643 a year ago. Plants, etc., after depreciation, stands on the books at $3,184,569, down from $3,483,971 in 1931.

Investments in and advances to affiliated companies have increased from $89,025 to $171,999. Current assets dropped from $175,016 to $115,953.

No change has taken place in the amount of capital stock outstanding. The funded debt has been reduced $34,000 to $1,326,000.

Current obligations have been segregated in the 1932 report to show advances from Duke Price Power Co. at $790,057 and current liabilities at $46,619. In the previous report these items were grouped to make a total of $1,083,019.

CENTRAL STATION JANUARY OUTPUT SLIGHTLY LOWER

Quebec is Only Area to Record Gain Over 1932

From Our Own Correspondent

MONTREAL—Output of central electric stations in Canada in January showed a small decline compared with the same month last year, a gain in Quebec being more than offset by reduced production in other areas. Total output was 1,396,658 thousand k.w.h., a decrease of 17,260 thousand k.w.h., from January 1932. There was a seasonal decline from output in December which totalled 1,433,191 thousand k.w.h.

Quebec maintained the increases which it has been recording in recent months, due largely to sales of power for steam purposes in newsprint mills. January output was 785,142 thousand k.w.h., down from the previous month, but a gain of 64,000 thousand k.w.h. over January 1932.

Ontario Production Down

Production in Ontario totalled 318,039 thousand k.w.h. down from 374,534 thousand k.w.h. in January last year and the prairie provinces output showed a decline of 14,000 thousand k.w.h. at 116,099 thousand k.w.h. British Columbia production at 102,521 thousand k.w.h. was marginally lower than the previous month but a drop of 5,000 thousand k.w.h. compared with January 1932.

Power generated by fuel in the prairie provinces during January was 18,249 thousand k.w.h. a drop of 2,000 thousand k.w.h. from the same month last year but steam power in other provinces totalled 12,073 thousand k.w.h. compared with 10,742 thousand k.w.h. in January 1932.

Exports amounted to 48,018 thousand k.w.h. This was an increase of 7,000 thousand k.w.h. over the previous month but a decline of 13,500 k.w.h. from exports in January 1932.

Following are comparative figures on water power output of central stations in January by territories:

(Thousands of k.w.h.)

	Jan., 1933	Jan., 1932	Dec., 1932
Quebec	785,142	721,827	801,939
Ontario	318,039	374,534	326,173
Prairies	116,099	129,950	116,933
British Columbia	102,521	107,899	103,161
Maritimes	44,535	48,584	52,587

Lower St. Lawrence

No new developments of importance have taken place in connection with the Lower St. Lawrence Power Co. and its subsidiaries, which are controlled by the Central Public Service Co. of Chicago.

The company operates a number of local power companies on the Metis River, supplying power to the towns in the vicinity of Grand Metis Falls. It also owns the entire capital stock and guarantees the bonds of the Matapedia Valley Light and Power Co. and Credit Municipal Canadienne of Rimouski.

Matapedia Valley Light supplies power by contract to Campbellton, N.B., up to 2,700 h.p. at a fixed sum of $40,000 per annum for the first 1,100 h.p. or less and $25 per h.p. over and above this amount.

Canadian Exports to British Guiana

Canadian exports to British Guiana, which boasts the distinction of being, "the only British colony in South America" amounted in value to $862,416 in 1932, according to the Commercial Review, published in Georgetown, B.G. Flour headed the list of these imports from Canada, at $273,538.

Saskatchewan Radios Lead Prairies

The Province of Saskatchewan has more radios than Manitoba and Alberta combined, according to the latest figures from Ottawa. Radios in Saskatchewan number 27,478; in Manitoba, 9,752 and in Alberta 17,094. The population of the three provinces, according to the latest census, is 2,353,529.

Calgary Power Covers Common Stock Needs

From Our Own Correspondent

MONTREAL. — Financial statement of Calgary Power Co. for 1932, which will be published shortly, is expected to reveal earnings sufficient to cover all charges including dividends paid at the rate of 6 per cent on the common stock. In 1931 common share earnings were $7.15 and it is understood that this figure was slightly bettered in the period just passed.

Ability of the company to maintain its revenue during the past year is attributed in part to income accruing from its investment in recently acquired subsidiaries. The past year has witnessed results from a full 12 months controlling interest in Ottawa Valley Power Co. That company's plant has been in full operation since last fall while it started delivering power under the terms of its contract with the Ontario Hydro in October, 1931. Though no financial statement has been issued it is understood operations have been on a satisfactory basis.

Another of Calgary Power's subsidiaries, Prairie Power Co., has also done well. This company operates a system serving some 60 communities in Saskatchewan and latest figures available indicate that over 500 miles of transmission lines were being utilized.

In Alberta, Calgary Power has extended its system widely in recent years and now serves some 150 communities. Agricultural conditions have been relatively favorable in the province in the past three years, a factor which has aided sales of power in rural territory served.

INTER. HYDRO

Canadian Interest Chiefly in Securities of Subsidiaries

International Hydro-Electric System, holding company for all the power companies controlled by International Paper and Power Co., is one of the largest power systems in the world. Through stock ownership it controls Canadian Hydro-Electric Corp., operating in Canada, and New England Power Association, operating throughout the New England states.

There is little Canadian interest in the System as such, only securities of its subsidiaries, Gatineau Power and Canadian Hydro being outstanding to any extent in this country.

Output in Billions

Some idea of the extent of operations can be gauged from figures of installed capacity and output of the System's properties. At the end of 1931, installed capacity totalled 1,743,219 h.p. and output during the year amounted to 4,455,961,000 kw.h.

Assets at Dec. 31, 1931, amounted to $575,760,029, plant and properties being valued at over half a billion dollars.

Capitalization—	Authorized	Outstanding
Common	60,000,000 sh.	40,000,000 sh.
No par value.		
Class "A"	2,000,000 sh.	858,197 sh.
Class "B"	2,000,000 sh.	1,000,000 sh.
No par value.		
Pref. conv. $3.50.	1,000,000	144,799 sh.

Funded Debt—
Six per cent convertible gold debs., due 1944, outstanding $30,000,000.

Dividend Record—
Preferred — $3.50 per annum, payable Jan., April, July and Oct. 15.
Class "A"—$2 per share per annum, cumulative, preferred, payable quarterly on 15 Jan., April, July and Oct.
Initial dividend of 50c. paid July 15, 1929, payable either in cash or as 1/50th share class "A" stock. Paid regularly thereafter to July 13, 1932, when passed; none since.

Officers and Directors—
Officers—A. R. Graustein, pres.; F. D. Comerford, vice-pres.; S. C. Moore, vice-pres. and sec.; H. R. Weaver, vice-pres. and treas.; R. G. Ladd, asst. sec.-treas.; E. B. Norcross, A. R. Storm, asst. treas.; E. E. Adams, C. D. Young, asst. sec.
Directors—A. E. Childs, F. D. Comerford, J. H. Leman, R. Lowell, S. C. Moore, A. J. Peters, C. F. Weed, R. S. Weeks, C. A. Coolidge, Jr., Boston, Mass.; M. W. Dodge, A. R. Graustein, H. R. Weaver, New York City; V. M. Drury, Aimé Geoffrion, Montreal, P.Q.; G. G. Gale, Ottawa, Ont.; L. C. Gerry, Providence, R.I.; H. P. Robinson, Saint John, N.B.; A. F. White, Toronto, Ont.
Executive Committee—A. R. Graustein, chairman; F. D. Comerford and H. R. Weaver.

Times All Int. Earned:	1931	1930	1929
Before depreciation	2.37	2.38	2.44
After depreciation	2.05	2.04	2.10
Earnings per Share and Dividend Record:			
Preferred, $3.50 convertible series:			
Earned	$22.22	$26.53	......
Paid	3.50	‡	......
Class "A":			
Earned†	$3.17	$4.17	$2.42
Earned*	2.00+nil	2.00+0.14	2.00+0.08
Paid	2.00	2.00	1.50

* Represents amount of dividend if all surplus earnings for period were distributed.

† Based on the number of shares outstanding at the end of the period. The earnings on the average number of shares outstanding during the periods were $3.20 in 1931, $4.30 in 1930 and $4.25 in 1929.

‡ Dividend (and interest in lieu of dividend) paid at the rate of $3.50 per annum.

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Class "A"	6	6	29	9⅛	53¾	23

Great Lakes Power Serves Sault Ste. Marie

Great Lakes Power Co. supplies hydro-electric power to Sault Ste. Marie, Ont., and a subsidiary operates a street railway and ferry service on the St. Mary's River. The two hydro-electric power plants owned by the company develop a total of 54,700 h.p. and hydraulic power of 12,000 h.p. The company has the right to use in perpetuity 20,000 cu. ft. of water per second on the Canadian side of the St. Mary's River. Power is also developed at High Falls on the Michipicoten River and a site is owned on the Montreal River.

Control of Great Lakes Power Co. is held by Middle West Utilities Co. of Canada, Ltd., and there is little public investment interest as preferred and common shareholders accepted an exchange for Middle West Utilities in stock in 1929.

Capitalization—	Authorized	Outstanding
Pref. red. cum. ser. "A"	26,000 shs.	7,500 shs.
No par value.		
Common, n.p.v.	70,000 shs.	30,000 shs.

Funded Debt—
1st mtge. gold bonds, 6 per cent, due serially 1932-1944, outstanding $1,905,000.

Officers and Directors—
Officers—J. A. McPhail, pres.; A. J. Thomas, vice-pres.; A. E. Pickering, vice-pres. in charge of operations; O. H. Wing, assist. to pres.; J. R. Andrews, treas.; Ethel Hugill, sec.; E. J. Knight, J. R. Andrews, asst. secs.
Directors — J. A. McPhail, A. E. Pickering, J. Dawson, E. B. Barber, O. H. Wing, Sault Ste. Marie; A. J. Thomas, Montreal.

	*1931	*1931	1930
Times All Interest Earned	....	2.04	2.38
Earnings per Share and Dividend Record:			
Pref.: Earned	‡$27.94	§$28.42	§$30.32
Paid	7.00	7.00	7.00
Com.: Earned	3.98	§6.30	§6.99
Paid	4.00	4.00	$4+1.50

*First column for 1931 shows combined earnings of The Great Lakes Power and Algoma District Power to Oct. 5, 1931 and present company from Oct. 6, to Dec. 31, 1931; second column shows earnings of The Great Lakes Power (old company) from Jan. 1, to Oct. 5, and earnings of present company Oct. 6, to Dec. 31.

‡Based on 7,500 preferred and 30,000 common shares.

§Based on 6,000 preferred and 20,000 common shares.

Edmonton Flying is Active

The distinction of operating the largest of the 25 flying clubs in Canada goes to Edmonton, Alberta. At the recent annual meeting it was shown that in 1932 a total of 24 private pilots' licences and five commercial licences were won by members, which was one-twelfth of all the licences issued in the Dominion to similar clubs during the year. A total of 800 hours of flying was done during the year by pupils at the Edmonton Club.

QUINTE AND TRENT

Little Improvement in Situation Surrounding Company

No improvement has been shown in the situation surrounding Quinte and Trent Power Co. Early in 1931 bondholders ratified a proposal to defer interest until July 1, 1932, and this waiver has been further extended until July 1, 1934.

The company is a subsidiary of Canadian Paperboard Co., now operating under a receiver manager. The paperboard company's plants are the chief outlet for power produced by Quinte and Trent, and unsatisfactory conditions in the pulp and paper market continue to reflect unfavorably in activities of the parent company and also Quinte and Trent Power.

Capitalization—	Authorized	Outstanding
Common	10,000 shs.	5,006 shs.
No par value.		
Preferred 7%	$500,000	$350,000
Par $100.		

Common all owned by Canadian Paperboard Co.

Dividend Record—
Preferred—7 per cent per annum, payable quarterly, Jan., April, July and Oct. 1. Dividend deferred July 1, 1930, none since.
Common—$1 per share paid in 1927. None since.

Funded Debt—
First mortgage 6 per cent sinking fund gold bonds, series "A," due 1955, $614,800. In Dec., 1930, bondholders ratified an agreement whereby company would be released from bond interest obligations for 18 months to July 1, 1932. In June, 1932, bondholders ratified proposal to postpone payment of interest from July 1, 1932, to July 1, 1934, and to waive sinking fund payments during 1932 and 1933.

Officers and Directors—
Officers—J. G. G. Kerry, pres.; C. E. Whitten, sec.-treas.
Directors—J. Kerry, S. Johnston, Montreal; H. R. McClymont, Toronto.

Crude Petroleum Output

Final figures for the production of crude petroleum from Canadian wells in 1931 show a total output of 1,542,573 barrels of which 1,413,631 barrels came from the Province of Alberta; 122,665 barrels from the Province of Ontario and 6,577 barrels from the Province of New Brunswick. The Turner Valley field accounted for 1,334,039 barrels of the Alberta production.

WEST CANADIAN HYDRO

West Canadian Hydro Electric Corp. owns and operates a hydro electric plant at Shuswap Falls, B.C., generating 4,000 h.p. and holds prior claim to water and power rights, having an ultimate capacity of some 28,000 h.p. The company serves various municipalities in central British Columbia. The company is controlled by Canadian Public Service Corp., which owns two-thirds of the class "B" voting stock.

During 1931, class "A" shareholders were offered 6½ per cent, cumulative preference shares Canadian Public Service Corp. on the basis of one preference share for each five class "A" shares held. In addition to the class "A" and class "B" common shares outstanding the company has some $1,000,000 of 6 per cent first mortgage gold bonds of 1950 and $350,000 of 6½ per cent debentures convertible due 1945.

Capitalization—	Authorized	Outstanding
Class "A"	*250,000 shs.	14,596 shs.
Class "B"	100,000 shs.	30,000 shs.
No par value.		

*Of this amount, 40,344 shares are reserved for the conversion of the 6½ per cent debentures and for purchase warrants issued by the corporation.

Funded Debt—
First mortgage bonds, 6 per cent, due 1950, outstanding $1,000,000. Carry warrants entitling holder to purchase five class "A" shares to each $1,000 bond at $15 per share to Jan. 1, 1933; $17.50 to July 1, 1935; $20 to Jan. 1, 1938.
Convertible debentures, 6½ per cent, due 1945, outstanding $350,000. Convertible into class "A" common on specified basis. Carry warrants to purchase 10 class "A" shares to each $1,000 debenture at same rates as bonds.

idend Record—
Class "A"—Entitled to $1.25 per annum, cumulative to extent of earnings in any year, after class "B," as a class, has received an equal amount as total paid on class "A." Classes "A" and "B" share equally as a class until class "A" shares have received additional 50c. per share.
Initial dividend of 62½ cents paid Jan. 20, 1931; 31¼ cents paid April and July 20, 1931; reduced to 15 cents Nov., 1931; 45 cents paid during 1932. None paid on class "B."

Officers and Directors—
Officers—R. E. Wilsey, pres.; Stanley Burke, vice-pres.; L. P. Smith, sec.
Directors—R. E. Wilsey, W. W. Turner, Chicago, Ill.; S. Burke, L. P. Smith, R. L. Morrow, Vancouver, B.C.; A. Deyo Clelland, Los Angeles, Calif.; G. A. Moller, San Francisco, Calif.

CANADA ELECTRIC

Company Serves Several Communities in Nova Scotia

Operations of Canada Electric Co. are carried on at Maccan, N.S., and energy is distributed to Amherst, Sackville, Springhill and interventing points. The company does not issue a financial statement.

There is no public interest in its securities, ownership being vested in the Central Station Power and Light Corp., part of Utilities Power and Light System, which acquired the company in 1930 from Maritime Coal, Railway and Power Co.

Since that date substantial extensions to the plant have been made involving an expenditure of over $500,000. A $750 h.p. boiler with modern auxiliary equipment and designed to burn pulverized coal was erected at Maccan, together with an outside substation switching equipment and a modern control system.

Another phase of the development programme was construction of a new 22,000 volt transmission line from Chignecto to Amherst, as well as one from Maccan to Joggins.

Capitalization—	Authorized	Issued
Common	$500,000	$500,000
Par $100.		

All the capital stock is owned by Central States Power & Light Corp.

Funded Debt—
1st mtge. 5½ per cent gold bonds, outstanding $1,068,900.

Officers and Directors—
Officers—H. T. Pritchard, pres.; N. T. Avard, vice-pres. and gen. mgr.; H. M. Harper, sec.; D. H. Bender, treas.; W. R. Ross, asst. treas.
Directors—H. T. Pritchard, New York; J. N. Canavan, H. C. Orton, F. E. Matthews, O. E. Koegel, Chicago; N. T. Avard, Amherst, N.S.

MONT. TELEGRAPH

Revenue Derived from Rentals of Lines in Wide Area

Montreal Telegraph Company operates under a perpetual franchise about 22,000 miles of wire in Ontario, Quebec and parts of Nova Scotia, New Brunswick, Northern New York, Vermont, Michigan, New Hampshire and Maine. These properties are operated and maintained by the Great North Western Telegraph Co. of Canada, which in turn is controlled by the Dominion government and operated by the Canadian National Telegraphs. Operations and maintenance are guaranteed under a 97-year agreement from July 1, 1881, by Western Union Telegraph Co., which also guarantees payment of dividends.

Fixed income received from rentals is sufficient to pay dividends of 8 per cent on Montreal Telegraph Co. stock less Canadian government income tax.

Capitalization—	Authorized	Outstanding
Common 8%	$2,000,000	$2,000,000
Shares, $40 each.		

Dividend Record—
Common—8 per cent per annum, less Canadian Government income tax payable quarterly, Jan., April, July and Oct. 15. Dividends guaranteed by Western Union Telegraph Co.

Officers and Directors—
Officers—H. E. Rawlings, pres.; J. B. Paterson, vice-pres.; M. P. Domville, sec.-treas.
Directors—H. E. Rawlings, J. B. Paterson, C. F. Sise, G. F. Benson and Lt.-Col. W. Leggat, all of Montreal.

INCOME STATEMENT
Years Ended December 31

	1932 $	1931 $
Revenue:		
G.N.W. Tel. Co.	165,000	165,000
Revenue from invests.	3,527	3,708
	168,527	168,708
Expenses:		
Dividends	141,000	145,600
Income tax reserve	19,000	14,400
Adminis. expense	5,651	5,863
Surplus for year	2,876	2,845

Market Record—

	1932 H	1932 L	1931 H	1931 L	1930 H	1930 L
Common	47	40	60	48	55	45

Water Power Resources Large

The water power resources of Canada, as at present recorded, will permit a turbine installation of about 43,700,000 horse power. The total turbine installation is 7,045,260 horse power. Development up to the present, therefore, has utilized only a little more than 16 per cent of the recorded power.

Public Utility Investments

We have been identified with public utility financing over a period of thirty years.

Our current list of offerings includes securities of a number of successful light and power and other utility companies. Yields at present prices are attractive.

We shall be glad to furnish information and recommendations upon request.

Royal Securities Corporation
Limited

224 St. James Street
MONTREAL

330 Bay Street
TORONTO 2

Halifax Saint John Quebec Ottawa Winnipeg Vancouver Charlottetown Hamilton Regina Calgary St. John's, Nfld. New York London, Eng.

QUEBEC POWER COMPANY

POWER BUILDING - - - QUEBEC

Operating in the District and in the City of Quebec, the terminus of the largest ocean-going vessels entering the St. Lawrence River.

POWER

LIGHTING — COOKING — HEATING — INDUSTRIAL

The first power plant was established in Quebec in 1890. Developing and progressing year by year, the present power system renders a public service second to none on the continent. Now owns and operates five power plants, and is interconnected with the Shawinigan System. Supplies the cities of Quebec and Levis, and 83 other towns and municipalities in the surrounding district.

GAS

HEATING — COOKING — INDUSTRIAL

The first gas plant and piping system was inaugurated in the City of Quebec in 1849, when only a few of the principal streets were piped. Today the Company's vertical retort plant is one of the most modern in Canada, and the distribution system covers almost every street in the City.

TRANSPORTATION

The first electric cars started operation in Quebec on July 20th, 1897. The equipment consisted of 36 single truck cars. Today the Company operates over 140 cars, mostly double truck, and operates over 76 miles of track, has two car sheds and a modern workshop in Limoilou.

Public Utilities Rendering the Utmost in Good Service to the Citizens of Quebec and District